

ANNUAL REPORT

2019



Pico (Thailand) Public Company Limited

Financial Highlight

Unit : Million Baht	Separate Financial Statements			Consolidated Financial Statements		
	2019	2018	2017	2019	2018	2017
Cash and cash equivalents	105	208	146	208	447	294
Total current assets	637	699	497	757	950	712
Total assets	832	895	705	941	1,134	926
Total current liabilities	294	374	229	369	576	409
Total liabilities	358	419	276	455	628	466
Total shareholders' equity	474	476	430	487	506	461
Revenues from the rendering of services	1,215	1,512	1,058	1,536	2,020	1,373
Gross profit	282	318	243	365	406	328
Net income	68	73	30	52	74	46
Current ratio (times)	2.2	1.9	2.2	2.0	1.7	1.7
Gross profit (%)	23	21	23	24	20	24
Net profit (%)	6	5	3	3	4	3
Return on equity (%)	14	16	7	11	15	10
Return on assets (%)	8	9	4	5	7	5
Assets turnover (times)	1.4	1.9	1.4	1.5	2.0	1.5
Total debts to equity ratio (times)	0.8	0.9	0.6	0.9	1.2	1.0
Book value per share (Baht)	2.204	2.212	1.996	2.242	2.329	2.117
Earnings per share* (Baht)	0.314	0.341	0.138	0.234	0.337	0.206
Dividend per share (Baht)	0.30	0.125	0.15	0.30	0.125	0.15

* Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the company excluding other comprehensive income by the weighted average number of ordinary shares issued during the year.

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This annual report, together with trading statements, news releases, presentation and previous annual reports, is available online at <http://www.picothai.com>



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Board of Directors

As at January 10, 2020



► **Mr. Chia Song Heng**

Chairman of Board of Directors
Chairman of Nomination Committee
Chairman of Remuneration Committee
Vice Chairman of Executive Committee



◀ **Mr. Silchai Kiatpapan**

Director
Nomination Committee Member
Chairman of Executive Committee
Chief Executive Officer



► **Ms. Chia Yuan Jiun**

Director
Executive Committee Member



▼ **Mr. Chung Chee Keong**

Director
Executive Committee Member



► **Mr. Chaijit Tehasuwanarat**

Director
Executive Committee Member
Chief Financial Officer



▼ **Mr. Chaiyod Bunyagidj**

Independent Director
Chairman of Audit Committee
Nomination Committee Member
Remuneration Committee Member



► **Mr. Manus Manoonchai**

Independent Director
Audit Committee Member
Nomination Committee Member
Remuneration Committee Member



▼ **Mrs. Sasitorn Phongsathorn***

Independent Director
Audit Committee Member
Nomination Committee Member
Remuneration Committee Member

* Mr. Sern Vitheponse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Message from Chairman

Dear Shareholders,

2019 marked Pico Group's 50th anniversary and global success while Pico (Thailand) celebrated its 15th anniversary of being listed on the Market for Alternative Investment (MAI) stock exchange and will commemorate the company's 40th anniversary in 2021. These auspicious occasions highlight the potential and strength of the company in the ever-changing environment. Pico Group has conducted its business based on the concept of "Drive Change" for four consecutive years. In 2019, the company continued to carry out the concept and also explored the idea of "Diversity": 1) **Diversity in Business** - the company acquired subsidiaries in many different industries 2) **Diversity in People** - the company had a diverse workforce with diverse ethnicity, nationality, culture, personality, and generations to better understand differences and needs of customers 3) **Diversity in Unity** - the company capitalized on a diverse workforce working together in harmony. The concept of "Diversity" developed into the strategic plan "**One Pico, One Story, One People, and One Hope**" to maximize business value, encourage creativity, and sustainable growth in the organization.

Several businesses were going through a critical time in the past year, facing challenges from economic, social, political, and technological changes around the globe such as US-China trade war, Hong Kong's political unrest, and environmental and climate crises. The marketing and public communication industry was no exception. Pico Group and Pico (Thailand) therefore implemented a proactive strategy to readily adapt to change. As a "**Total Brand Activation**" company, Pico is committed to create effective brand communication to build a client's brand to be registered in the hearts of target customers amidst challenges and changing megatrends.

Driving business at a time of change, Pico realized the importance of mindset and staff development, especially among the younger generation that would be a significant workforce in the future, as generation Z showed interest in social responsibility and sustainability more than others. Since 2014, Pico (Thailand) has always recognized the importance of corporate social responsibility and has been carrying out the project "Global Care in Action". Such a company's vision coincided with a major social event in 2019, in which TIME magazine named Greta Thunberg TIME's Person of the Year. Thunberg became the face of a new generation that has an acute awareness of environmental issues, climate change, and sustainability. This global event just highlighted the company's broad strategic vision and business operations led by a profound understanding of the changing economic and social context.

Pico (Thailand) would like to thank shareholders, clients, partners, employees, and stakeholders for supporting the company in the past year. The company has a vision to grow business along with the Thai society, to create value for brands while adapting to change, to be responsible to the society, to sustainably generate business value for all stakeholders.



Mr. Chia Song Heng
Chairman of the Board

Message from Chairman of Executive Committee and Chief Executive Officer

Dear All Shareholders,

The year 2019 saw the global economy and businesses in every region of the world affected by trade war, political instability, and a drastic technological change. It was a challenge for private companies that must learn and adjust in the fast-changing business ecosystem. Amidst this challenging situation, Pico (Thailand) continued to develop the company's potential and deliver quality products and services to customers throughout the year.

The past year has brought great pride to Pico (Thailand) as the company staged installments at the “**Rama IX Museum**” in commemoration of the late King Rama IX of Thailand and to educate the Thai audience about his way of thinking and problem solving through scientific approach. The museum is ASEAN's largest ecology gallery - a knowledge base for learning the importance and issues related to ecosystem and environment - with the belief that human beings are able to learn to maintain a sustainable and ecological balance and live in harmony with nature. The museum was officially opened to the public last December.

2019's operating result shows the revenue of 1,536 million baht from all services, a 24% decline from last year due to the flagging global economic situation which affected the country's economy, client's businesses and marketing activities, government's impending special projects, and production of installations at the Rama IX Museum that was concluded in March 2019. However, owing to the company's increased cost efficiency, gross profit grew from 20% in the previous year to 24% in 2019. Operating results of each business unit are shown in detail as follows,

1) Exhibition generated 830-million-baht revenue, a decline by 22% compared to the previous year. Highlighted projects included administration, design, and arrangement of exhibitions and activities at the Digital Thailand Big Bang 2019, National Science and Technology Fair 2019, Startup Thailand 2019, the 35th Thailand International Motor Expo and the 40th Bangkok International Motor Show.

2) Event Marketing and Branding generated 387-million-baht revenue, a decline by 16% compared to the previous year. Highlighted projects included event marketing for major automotive companies.

3) Knowledge Communication generated 269-million-baht revenue, a decline by 41% compared to the previous year. Highlighted projects included permanent installations in the Rama IX Museum and digital media for Mahidol University's Mahidol Channel.

2019 was a challenging year for many entrepreneurs as a result of several crises and fast-changing ecosystem. Pico (Thailand) is a “Total Brand Activation” company that aims to become a powerful communication platform using state-of-the-art technology to provide effective brand communication for clients. It helped businesses succeed in regard to finance, value, and branding with a competitive edge over competitors. The company has committed to support corporate staff on every level to realize their potential so that they are prepared for any future change and find opportunities in the midst of crisis to generate profits and bring sustainable success to the clients as well as the company.

Pico (Thailand) would like to thank all shareholders, clients, partners, board of directors, executives, employees, and other stakeholders for unwavering support of the company over the past year. In 2020, notwithstanding the business challenges, the company does hope to generate higher revenue, make more profits and maximize shareholders' return together with creating economic, social, and technological sustainability in the business ecosystem for the prosperity and sustainability of the Thai society in the future.



(Mr. Silchai Kiatpapan)
**Chairman of Executive Committee and
Chief Executive Officer**

Report of Audit Committee

To Shareholders of Pico (Thailand) PCL

The audit committee of Pico (Thailand) Public Company Limited consists of Mr. Chaeyod Bunyagidj as the Chairman, Mr. Sern Vithespongse* and Mr. Manus Manoonchai as members of the committee.

The audit committee performs its duties and responsibilities pursuant to the delegation of the board of directors. In 2019, the committee held four meetings with 100% attendance by the members. The summary of the performance of the audit committee was as follows :

Review of Financial Statements

The audit committee reviewed significant data and information in the quarterly and annual financial statements of the company for the year 2019, the consolidated financial statements of Pico (Thailand) Public Company Limited and its subsidiaries, which were prepared in accordance with Thai Financial Reporting Standards (TFRS) which is in conformance with the International Financial Reporting Standards (IFRS). The committee reviewed material issues and special items and obtained sufficient clarification from the external auditors, the management, and the internal auditor, confirming that the financial statements and the disclosure in notes to the financial statements were in compliance with the relevant laws and financial reporting standards. The audit committee therefore approved the financial statements, which were reviewed and audited by the external auditors without reservation.

In addition, the audit committee held a meeting with the external and internal auditors without the presence of the management to acknowledge and independently discuss the scope of audits, significant information for the financial statements preparation and disclosure, points of concern and issues arising from their reviews and audits, and major obstacles encountered during the audits, which were reported that they had no material observation, difficulty, limitation including disagreements with the management.

Review of Interested Person Transactions

The audit committee reviewed interested person transactions that the company and its subsidiaries entered into with interested persons and transactions that may lead to conflict of interests. Based on our reviews, the compliance with the company's policy for the interested person transactions was noted. Such transactions were undertaken on an arm's length basis, reasonable, on normal commercial terms and for the best interest of the company with appropriate approval procedures, including sufficient, accurate and complete information disclosure.

Review of Corporate Governance

The company continues to conduct its business in accordance with sustainable development and corporate governance principles. The audit committee reviewed the efficiency and effectiveness of good governance and found that the directors, the management and employees have strictly complied with the policy by having the board of directors and the management as the role model.

* Mr. Sern Vithespongse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Review of Risk Management Assessment

The audit committee reviewed the efficiency and effectiveness of the company's risk management process and no material findings or deficiencies were found. The company appointed the risk management committee to oversee and support the enterprise risk management program. Risk management committee consists of CEO, served as the committee chairman, and senior members leading the key operating units as the members, with the duty to consider the structure, policy, risk management framework and risk management plan, review risk profile and monitor the company's risk management.

Review of Internal Control System

The audit committee quarterly reviewed the internal control system based on the audit results reported by the internal audit. The results indicated that the internal controls were adequate, effective and appropriate to the company's business operations, corresponding to the views of the external auditors in similar assessment on the company's internal controls relating to the financial reporting preparation that no material findings or deficiencies were found.

Supervision of Internal Audit

The audit committee oversees the company's internal audits including evaluation of internal audit performance, oversight of the internal auditor to independently perform his/her duties by having he/she report directly to the audit committee and provision of advice on the internal auditor's performance to be in accordance with the International Standards for the Professional Practice of Internal Auditing.

Review of Compliance with Applicable Laws and Regulations

The audit committee reviewed and supervised the company's operations in strict compliance with legislation related to securities and stock exchange, including regulations and requirements related to business operations. In the fiscal year ended October 31, 2019, no violation had been found.

Nomination of the External Auditor and Determination of the Audit Fee for 2020

In selecting the external auditor, the audit committee reviewed the external auditor's performance, insight and competencies, proficiencies, independence and audit fees and presented to the board of directors for proposing to the shareholders' meeting for approval on the appointment of Mr. Joompoth Priratanakorn, certified public accountant No. 7645 and/or Mr. Nopparoeek Pissanuwong, certified public accountant No. 7764 and/or Miss Suphaphorn Mangjit, certified public accountant No. 8125 of D I A International Audit Co., Ltd. as the company's external auditor for the year 2020 and the auditor remuneration of Baht 1,970,000.

On behalf of the audit committee



Mr. Chaichod Bunyagidj

Chairman of the Audit Committee

Report on the Board of Directors' Responsibilities for Financial Statements

The Board of Directors of Pico (Thailand) Public Company Limited is responsible for the financial statements of the Company and its subsidiaries, which have been prepared in accordance with financial reporting standards under the Accounting Act B.E. 2543, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. The Board considers the accounting policies pursued to be appropriate, and that they have been applied consistently with adequate disclosure of important information in the notes to the financial statements. The Company's external auditor has reviewed and audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system and internal control system to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud, operational irregularities

and other risks. The Board has appointed an Audit Committee consisting of independent directors to provide effective and efficient oversight of the financial statements, internal control system and internal audit. The Audit Committee's views are reported in its report in the Company's annual report.

The Board is confident that the internal control system and the internal audit of Pico (Thailand) Public Company Limited and its subsidiaries represent the financial position, results of operations, and cash flows that give a true and fair view in accordance with Thai Financial Reporting Standards.

On behalf of the Board of Directors



Mr. Chia Song Heng
Chairman of the Board of Directors

Business Policies & Overviews

History

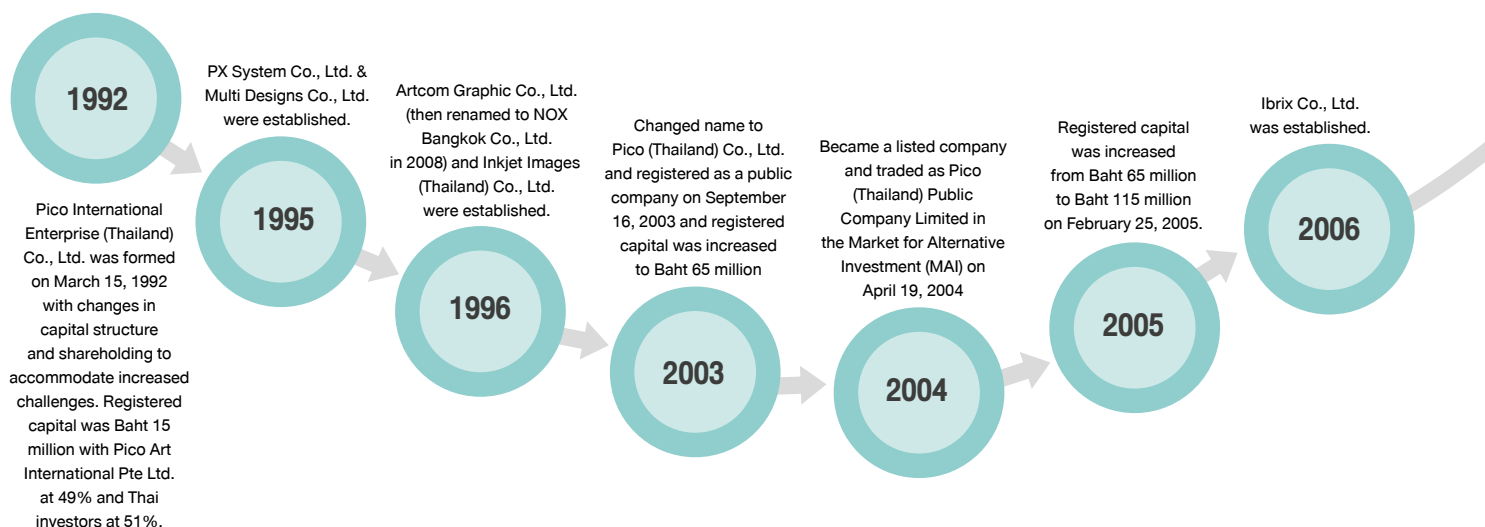
Pico (Thailand) Public Company Limited was formed in 1981. Formerly named Pico Thai Exhibition Contractor Co. Ltd., the company was a joint venture between Thai investors led by Mr Pised Chungyampin and the Singapore-based Pico Art International Pte Ltd ("Pico Art").

Since 1992, Pico Far East Holding Limited, the parent company of Pico Art, has been listed on the Hong Kong Stock Exchange (SEHK 752).

Pico is a total brand activation company, present in 33 major cities around the world, with some 2,000 staff and a global track record of bringing brands to life through powerful and engaging experiences from strategy to execution.

Significant Changes & Development

Pico (Thailand) Public Company Limited has continually developed its organizational structure in order to accommodate changes in the business environment and its corporate strategic and business objectives. Major significant changes and developments are as follows:

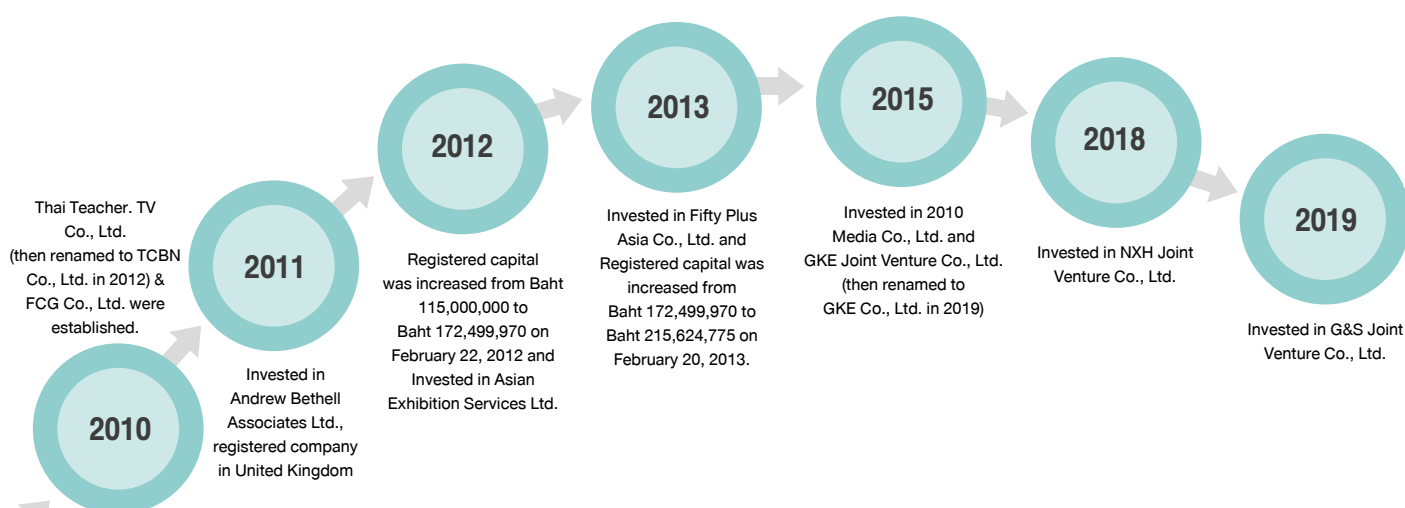


Vision

We are constantly striving to be a financial successful company, the first company that clients think of for the Professional Experiential Communication service partner as well as to be a top-of-mind company for talents to choose as a workplace.

Mission

To pursue the vision, our missions are to bring clients the service by creating the disciplines of various face-to-face communication approaches by combining creativity, knowledge and innovation in order to achieve best effective solutions that always exceed our clients' expectations.



Business Objectives

The company has four business objectives as follows:

1. Maximum returns to shareholders

We have continually adjusted our strategy to ensure a smooth and maximum-yielding business operation. The key support here is the strength of our local partners and extensive overseas network.

2. Committed customer focus on uncompromised quality & continual services improvement

Our work must meet or exceeds customer's expectation. This involves our continuing skills improvement while maintaining our market leadership position.

3. Continued building of corporate stability & progressive development

We believe in the concept of “Quality Life Quality Work” and actively promote personnel development and employee engagement attitude through good working environment, innovation encouragement and equitable compensation system. We believe that quality work can only come as a result of quality life of our employees.

4. Creating Shared Value

The business philosophy of the company is ‘we believe that what is good for the community is good for the business’. Therefore, the company always creates works that support the social quality development through services of the company focusing on knowledge communication service i.e. EDUCA, the annual education event for teacher professionals development aiming for a better quality of teachings in society, and education channel aiming to broadcast variety of knowledge relating to teaching activities.

Business Overview

The company’s business has continually expanded in the scope of products and services as a result of the experience and expertise gained. Products and services are designed to match customers’ needs and new business opportunities are continually explored. Currently, our principal businesses are as follows:



Additionally, we also conduct other businesses and services that complement our main products thus making us a full service provider. For instance, some of these services are design and supply of construction equipment including decorative materials. We stress an all-inclusive or turnkey approach to our service starting from the design concept, planning, constructing, and arranging exhibition, media selection and event management. The scope of services is mainly subject to the customer need.











The overall approach in each of our business segments is to understand the customers’ orders by studying and researching their business information and identify the communication target. After that, such information will be used in planning activities including selection and implementation of the efficient and effective communication process to deliver the specific information from customers to target audiences.

As for the individual business direction, the company targets to expand the operation including increasing market share in various industries both domestic and international market.



Structure of Company

To effectively and completely meet customers' needs we have invested in businesses, enhancing our products and services delivery capabilities. Our subsidiaries and associated companies are operated by experts in their individual fields with ready and distinct solutions to meet our clients' demanding needs. For the description of businesses and services of the subsidiaries and associated companies please see details at the topic of "General Information and Other Significant Information".

Subsidiary Companies

				
Registered Capital 11 MB % of Ownership 89.99%	Registered Capital 4 MB % of Ownership 59.99%	Registered Capital 10 MB % of Ownership 99.99%	Registered Capital 10 MB % of Ownership 99.99%	Registered Capital 3 MB % of Ownership 99.99%
				
Registered Capital 100 GBP % of Ownership 75.00%	Registered Capital 5 MB % of Ownership 99.99%	Registered Capital 5 MB % of Ownership 98.98% (held through 2010 Media Co., Ltd.)	Registered Capital 1 MB % of Ownership 93.97% (held through Nox Bangkok Co., Ltd.)	Registered Capital 5 MB % of Ownership 94.99% (held through GKE Co., Ltd.)

Associated Companies

		
Registered Capital 6 MB % of Ownership 22.22%	Registered Capital 5 MB % of Ownership 40.00%	Registered Capital 15 MB % of Ownership 45.00%

Relationship with Major Shareholder

Pico Far East Holding Limited (hereinafter referred as "Pico Far East"), Hong Kong Special Administrative Region of the People's Republic of China, is the major shareholder of Pico Art International Pte Ltd (hereinafter referred as "Pico Art"), Republic of Singapore. Pico Art holds 42.41% of the company's shares. This would be implied that the company is the associated company of Pico Art and Pico Far East.

The company pays an annual royalty equals to 2.53% of total revenue to Pico Art International Pte Ltd. This is in connection with the "Offshore Services Agreement" and "Intellectual Property License Agreement" dated July 10, 1992 and its amendment dated November 3, 2003. Under these agreements, the company is entitled to use the logo, trade name, technology and new innovation of Pico Art International Pte Ltd in its conduct of business. These privileges will continue, irrespective of Pico's Art International Pte Ltd shareholding in the company, provided that the royalty payment is paid until the company terminates the agreements. Additionally, Pico Art International Pte Ltd agrees not to compete for business in Thailand directly or indirectly. The agreements do not preclude the company to serve foreign clients in a foreign country provided that it is a direct request by the clients.

The privileges of using logo and trade name of Pico Art International Pte Ltd allows the company to create good image and clients' confidence in using our services since such logo is well-known and is accepted worldwide as the leading company in designing and trade exhibition. Moreover, the company would have network all around the world in order to serve both domestic and foreign clients.

Business Operations

The company has four principal services as follows:



All above principal services are where we have experiences and expertise in communication especially Face-to-Face Communication that is the essential core competencies to continue running all four main businesses.

1. Exhibition

Is drawing on the inner strength of the company's specialist personnel and latest technology while simultaneously leveraging on Pico's worldwide network and resources. These have given us great productive advantages to serve clients who need to expand markets internationally. For this, we have continually gained the trust from our clients.

2. Event Marketing and Branding

Is the event marketing where we have over 38 years of experience especially in field marketing or Face-to-face marketing. By adopting a strategic partnership approach with clients, our product delivery is always distinct and different from competitors being tailored specifically to the customers' needs. This business has become another principal income generator for the company.

3. Knowledge Communication

Is a relative new comer and comes as a result of our intent on creating businesses that are socially rewarding which is in line with our business philosophy. It draws on our expertise in communication and event marketing skills, which are further refined and molded into an effective communication tool. In addition to the social benefits, we believe that this business has definite growth potentials as reflected in the importance given to it by the various sectors. Today, this kind of business of the company covers temporary exhibition, permanent exhibition in museums and learning centers and the development and broadcasting of digital content & media.

4. Others

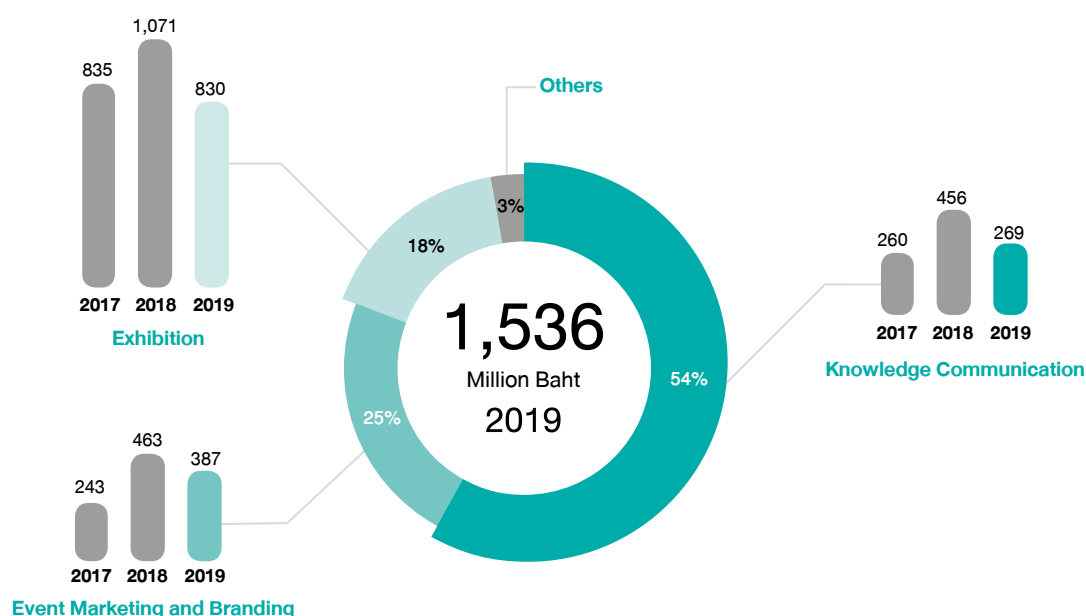
Besides the services mentioned above, we have other services that support and facilitate the customer's business.

- Rental of large air-conditioned tents from 1,000 sqm. up to more than 20,000 sqm. This serves to provide additional temporary space to exhibition organizers or large projects requiring significant covered space.
- Graphic design for signage and banner projects used in advertising and/or public relation work.
- Furnishings to complement the counter display as product point of purchase. These are eye catching units placed in the exhibition booth or department store to increase sale in accordance with the target's marketing plan.
- Interior design of offices and corporate identity.

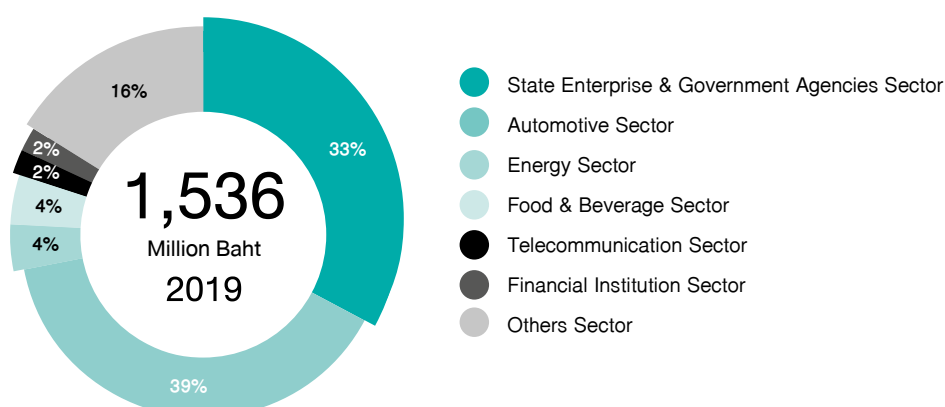
For all businesses, we offer an integrated or turnkey service starting with getting involved in the marketing plan with customer starting from concept developing, designing, constructing, implementing, to show organizing. As an event turnkey service provider, we also provide logistics and supportive needs of the customer such as transportation and installation services.

Revenue Structure

Revenue by business segments for the last 3 years is detailed as follows:



Revenue segmented by customer profiles for year 2019 is summarized as follows:



Market & Competition

Overview of the Market & Marketing Policy

The company's business is one of the businesses in the service industry. This industry is growing continuously in Thailand with increment of needs from both public and private sectors. As a market leader, we are determined to continually develop our organization to accommodate the changing environment to serve clients' requirements effectively. We are committed to the following improvements and development:

Develop a close relationship with customer

Our focus is to be a client strategic partner. For this, we need to understand clients' industries and to clearly understand clients' needs in order to provide the best and most effective solutions that exceed clients' expectation. Additionally, we also focus on the expansion of our customer base throughout the various industrial segments both inside and outside of Thailand.

Using the latest and state of the art technology

We continually challenge and support our people to explore and update new innovations and technologies as well as to equip themselves with new knowledge. Additionally, we also promote a knowledge sharing culture within a Pico global network.

Improvement in quality of services rendered

We focus on the delivery of an integrated service package where the customer can conveniently avail of our one-stop service and save cost. Apart from the comprehensive service package, strict quality control at each step of service delivery is always assured.

Service quality improvement on design, creativity and innovation

Our strategic objective is uncompromised service and customer's complete satisfaction. The company focuses on the quality of services by continuously developing and employing design, creativity and innovation into our services, which is one of key factors to upgrade qualities of our services beyond customers' satisfaction.

Customer Profile

Our customers are those with a track record of consistent growth with an international aspiration. These are state and/or state supported companies and private operation, which need to increase market awareness/ penetration and turnover. They are divided into two categories as follows:



State Enterprise and Other Government Agencies

The public sector regularly conducts events to publicize the workings of its units in order to increase public awareness and understanding. This also includes the promotional activities for government supported industries aimed at sustaining the economic growth. The agencies that are responsible for such activities are the Ministry of Higher Education, Science, Research and Innovation, the Ministry of Digital Economy and Society, Ministry of Education and the Department of International Trade Promotion etc.



Private Sectors



Automobile Sector

This group emphasizes on event marketing as it provides direct channel for the consumer to make the decision immediately.



Energy Sector

This group has a record of consistent growth and recognizes the importance of corporate social responsibility. It regularly conducts activities aimed at knowledge communications and increasing the public understanding of its organizations.

Our Project Management Process

Direct Customer Contact

Our marketing team constantly tracks customers' business and needs. Specific product/service package is then tailored and presented to customers to match their objectives and budget. If the company is selected, the marketing team will pass on the package to the production department, which will carry on with the customers.

Customer Relationship Management

We are committed to an international standard of excellence. Customer's trust and complete satisfaction are foremost on our agenda. This assures us of repeat business.

Business Alliances

Business alliances with the trade organizers and other players in the event marketing industry are a marketing channel to promote the company to customer.

Customer's Recommendation

With over-38-year experience with international standard operation, we often receive referral business from our satisfied clients.

Pico Far East Holding Limited and the Extensive Worldwide Network

With cooperation among our group in 33 major cities around the world, we have direct access to various institutions and organizations when they come to incorporate or arrange events in Thailand.



Food & Beverage Sector

This group has a record of consistent growth. It emphasizes on event marketing to retain brand awareness and gain direct access to consumers.



Telecommunication Sector

This is the business characterized by high growth and intense competition and pays a significant interest in the event marketing/communication.



Financial Institution Sector

The retail banking business is characterized by intense competition with constantly changing marketing strategy to meet customer's demand. Event marketing is therefore the preferred choice of communication for this industry.



Other Sectors

With the continued economic growth, businesses need to communicate more to meet the challenges of greater competition especially in industries of consumer products. Event marketing, branding, and knowledge communication are marketing tools that serve needs of these industries.

Product Sourcing

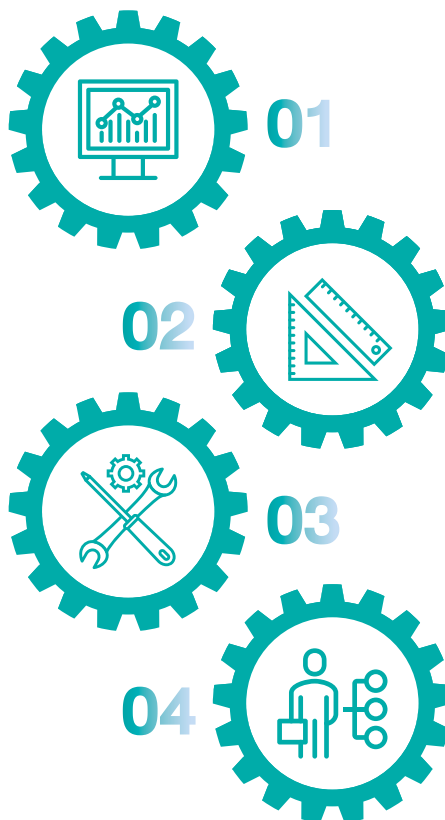
The key steps of our products sourcing process are as follows:

MARKETING

- Study customers' background/ information
- Contact customers to determine their marketing objective & requirements
- Conceptual design and operational plan

FABRICATION

We will either do the fabrication or subcontract out to outside specialists with tracking on quality. We will perform the supervision and final survey before handing over to customers.



DESIGN

- Research on specific requirements of customers
- Realization of conceptual design, structure or exhibition with support from subsidiaries
- Budget and breakdown presented to customers

PROJECT MANAGEMENT

Once production is completed, we will commence to build a stand by team to manage all aspects of the project to ensure of success e.g. publicity, cleaning and security. We will be in charge of these services until the end of the project.

Works in Progress

As of October 31, 2019, the company has work in progress totaling Baht 270 million, consisting of Exhibition and Event Marketing & Branding of Baht 140 million and knowledge communication of Baht 130 million.

Risk Factors

The company realized the importance of risk management. And in compliance with the purpose of enhancing the enterprise risk management of the company and the corporate governance practice of listed companies, the company thus appointed the Risk Management Committee to oversee and support the enterprise risk management program by determining risk factors, risk management system to protect, detect and reduce risks that may affect the company's operations as well as to support good governance and integrate risk management in all operating levels.

Risk factors that may affect the company's operations are as follows:

Domestic and International Economic Downturn

Economic instability is a risk that may cause the company to suffer from impacts on businesses and performance outcomes if the company's strategies cannot promptly accommodate such change. Thus the company keeps its eyes on the economic situation in order to always be prepared to adjust company's strategy accordingly.

The company has also improved its operation to make the most benefits to our customers by providing an integrated or turnkey service starting with getting involved in the marketing plan with customer, starting from concept developing, designing, constructing, event management including logistics and installation services.

Moreover, the company provides a variety of services i.e. exhibition, event marketing and branding, knowledge communication including the permanent exhibition in learning center and museum and digital content production. With these strategies, the company would be able to maintain our existing clients and expand to new profitable markets. Additionally, the company has the policy to approach customers in various industries to diversify risk that may affect some certain industries.

Political Effect

The political stability is an another important factor that affects our business due to the fact that our business relies on customers in both private and public sectors which will be affected from the political instabilities in terms of private sector's confidence and investment decision and government policy uncertainty. However, since the company has continuously provided the best services to our customers, the company has been able to retain the annual income from following annual events such as Thailand International Motor Expo, Bangkok International Motor Show and National Science and Technology Fair.

Moreover, the company has also operated businesses under the “Drive Change” strategy and founded Pico+ to create integrated engagement methodologies by blending digital technologies, social media and other technologies with current company’s services to serve both existing markets and new profitable markets. Besides, in order to relief the impact from such political risks, the company works closely with Pico Group’s global network to expand the company’s international markets.

Natural Disasters

The natural disasters risk, for example storm, flooding and earthquake, may affect the business operation of the company such as the postponement or cancellation of the events. The company has closely monitored and analyzed situations to find out all possible outcomes for safety of event installation and attendants. In addition, the company has insurance policies to cover and reduce the impact from such risk.

Highly-Competitive Market

Due to recent emergence of several entrepreneurs in the market, the company needs to always adapt its strategy to make sure that it can stay competitive in this industry. Moreover, despite adherence to the company’s missions in bringing clients the services that always exceed clients’ expectation by integrating creativity, knowledge and innovation into various face-to-face communications, the company has extended its scope to cover full services of event marketing and also created a differentiation focusing on knowledge communication. This has become the strength of the company that allows the company to keep its customer base while reaching out to new market.

In addition, the company combines digital technology, social media and other technologies with current company’s services to create digital-technology-integrated marketing tools which are able to respond to the rapid technological changes. Additionally, in order to increase competitive advantage over pricing, the company has project management function to closely monitor and manage projects’ cost efficiency.

Unpredictability of Customers

There are many factors that can affect customer’s business decisions or marketing strategy such as budget for advertising and public relations and marketing activities. The company thus cannot rely on only a specific group of customers. Over 38 years of the company’s business operation, it has a variety of customers, both government and private sectors conducting various types of business. The company has tried to retain and increase the revenue from the existing customers and expanded to new target customers with the quality and innovative services which exceed clients’ need and meet clients’ budget.

Human Resources Risk

Our business relies on professional staffs that possess a great deal of skills and creativity to move forward and stay competitive in the market. Therefore, the company gives high priority in recruiting high potential candidates to join the company. It also continues to give high importance in employee engagement by providing a good working environment and providing trainings to staffs for necessary skills. The company also gives competitive benefits and welfares to our staffs in accordance with our quality policy “Quality Life, Quality Work” to ensure that the company can efficiently manage the risk of losing talents.

In addition, the company has put in place a proper and transparent nomination process for key management positions at every level. The succession plan is started with the process of recruiting candidates who possess both talent and integrity. Young talents are the focus of recruitment, so that they can be groomed to become leaders in the future. The career development plan of successors is continually updated and changed in accordance with the operational guidelines and business objectives to ensure that staff members are ready to fill any positions that become vacant.

Information Technology Risk

Technology plays an important role for the company in providing its services. IT failure may affect the company's operation interruption or security breaches or unrecoverable data. For business continuity and limiting potential damage, the company establishes Data Backup and Disaster Recovery Policy which specifies data backup processes and regular backup data testing.

Besides, with the number of the company's employee and the easier access to software nowadays, the company's employee may commit the software piracy. This could affect the company's reputation and cost. Therefore, the company has specified rules, regulations and laws related to information technology in the policy for making awareness and reducing the impact of software piracy risk.

Cyber Security Risk

Changes of business operating models and working processes that are becoming more dependent on digital technology, the connection of the company's devices with the internet make businesses exposed to cyber risks. For example, stolen trade secrets and employee data could result in large amounts of monetary impact and adverse effects on the company's brand and reputation. The company has therefore, set out the policy for information technology usage and the cyber security roadmap which include data classification and management. Additionally, on the annual basis, the internal control of the information technology system is audited by external IT auditors to ensure that the system is secured and operate efficiently.

Assets Used in Business Operations

Property, Plant & Equipment

Details of property, plant & equipment of the company and subsidiaries as of October 31, 2019 are as follows:

	Areas	Types of Ownership	Baht Million	Commitment
Title Deeds No. 216194-7 Soi Sukhumvit 105 (Lasalle 56), Bangna Tai, Bangna, Bangkok 10260	2 Rai 200 Square Wah	Outright Owner	55.0	None
Office Building 10 Soi Sukhumvit 105 (Lasalle 56), Bangna Tai, Bangna, Bangkok 10260	4,555 Sqm.	Outright Owner	43.7	None

Land is stated at the appraised value. If a revaluation results in an increase in value, the revaluation increase is recognized to other comprehensive income and accumulated in equity under the heading “revaluation surplus”. However, the revaluation increase would be recognized in profit or loss not greater than the amount of expense previously recognized.

The company and subsidiaries have a policy for revaluation of land used in operations by an independent professional appraiser. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Beside the land and office building above, as of October 31, 2019 the company and its subsidiaries have long term lease agreements which can be summarized as follows:

	Areas	Types of Ownership	Significant Terms and Condition
Warehouse Rental 79/91-92 Moo 12, Bangna-Trad Rd., Bangkaew, Bangplee, Samutprakarn 10540	4,000 Sqm.	Lease Agreement	The company has a 3-year lease agreement (1 Nov'18 - 31 Oct'21) with the right to extend the agreement for another 3 years.
Warehouse Rental 79/90 Moo 12, Bangna-Trad Rd., Bangkaew, Bangplee, Samutprakarn 10540	2,000 Sqm.	Lease Agreement	The subsidiary has a 3-year lease agreement (1 Feb'18 - 31 Jan'21) with the right to extend the agreement for another 3 years.

Details of Other Assets

Details of other assets of the company and its subsidiaries as of October 31, 2019 are as follows :

Assets	Types of Ownership	Baht Million	Commitment	Note
Vehicles	On hire purchase	11.6	Whole amount	with leasing companies
Office equipment	Outright owner	2.1	None	
Computer	Outright owner	3.5	None	
Equipment & machinery	Outright owner	0.9	None	
Office decoration	Outright owner	2.4	None	
Operating accessories	Outright owner	4.1	None	

Plant and equipment are stated at cost, net of accumulated depreciation and allowance for loss on impairment of assets (if any).

Investment Policy in Subsidiaries & Associated Companies

The company has a policy to invest in a business operation that will complement and enhance its ability to deliver an integrated product offering e.g. a design company.

In 1995, the company invested in PX System Co., Ltd. and Multi Designs Co., Ltd., in 1996 Artcom Graphic Co., Ltd. (then renamed to NOX Bangkok Co., Ltd. in 2008) and Inkjet Images (Thailand) Co., Ltd., in 2006 Ibrix Co., Ltd., and DesignLab MISC Co., Ltd.¹, in 2010 Thai Teacher.tv Co., Ltd. (then renamed to TCBN Co., Ltd. in 2012) and FCG Co., Ltd., in 2011 Andrew Bethell Associates Ltd., in 2013 Fifty Plus Asia Co., Ltd., in 2015 2010 Media Co., Ltd. and GKE Joint Venture Co., Ltd, (then renamed to GKE Co., Ltd. in 2019), in 2018 NXH Joint Venture Co., Ltd. and in 2019 G&S Joint Venture Co., Ltd. These investments enhance the company's capability to offer comprehensive and integrated products/services to clients.

¹ On January 6, 2012, the Board of Directors meeting resolved to approve divesting all ordinary shares held by the company in DesignLab MISC Co., Ltd.

Legal Disputes

- None -

General Information & Other Significant Information

Security Issuing Company



Pico (Thailand) Public Company Limited

Principal Business :

Exhibition management and services, event marketing and branding, and knowledge communication, as well as production and distribution in form of digital content and media

Address :

10 Soi Lasalle 56, Bangna Tai, Bangna, Bangkok 10260

Corporate Registration :

Bor Mor Jor 0107546000296

Share Capital :

Registered capital of Baht 215,624,775 with Baht 215,624,559 fully paid up, divided into 330,000 preferred shares with the par value of Baht 1 and 215,294,559 ordinary shares with the par value of Baht 1

Telephone :

+662 748 7007

Facsimile :

+662 745 8521-2

Website :

www.picothai.com

Subsidiary Companies



PX System Co., Ltd.

Principal Business :

Fabrication of booths in trade shows and exhibitions as well as rental of all related equipment

Address :

79/90 Moo 12, Bangna-Trad Rd.,
Bangkaew, Bangplee,
Samutprakarn 10540

Share Capital :

Registered and paid up capital of
Baht 11 million divided into 110,000
ordinary shares with par value of Baht 100

Telephone :

+662 180 0171-6

Facsimile :

+662 180 0170

% of Ownership :

89.99%



Nox Bangkok Co., Ltd. (formerly named Artcom Graphic Co., Ltd.)

Public relation activities, event marketing
and knowledge communication

10 Soi Lasalle 56, Bangna Tai, Bangna,
Bangkok 10260

Registered and paid up capital of
Baht 10 million divided into 100,000
ordinary shares with par value of Baht 100

+662 745 8058

+662 745 8059

99.99%



Multi Design Co., Ltd.

Design and decoration of booths in
trade shows and exhibitions as well as
interior design and other related
businesses

10 Soi Lasalle 56, Bangna Tai, Bangna,
Bangkok 10260

Registered and paid up capital of
Baht 4 million divided into 40,000 ordinary
shares with par value of Baht 100

+662 361 7835-6

+662 748 7593

59.99%

Subsidiary Companies



TCBN Co., Ltd.
(formerly named Thai Teacher.TV Co., Ltd.)

FCG Co., Ltd.

Andrew Bethell Associates Ltd.

Principal Business :

Knowledge communication including production and distribution of digital content and media

Knowledge communication including production and distribution of digital content and media

Distribution of education content

Address :

10 Soi Lasalle 56, Bangna Tai Bangna
Bangkok 10260

10 Soi Lasalle 56, Bangna Tai, Bangna,
Bangkok 10260

1st Floor Bristol & West House,
100 Cross Brook Street,
Cheshunt, Hurts EN8 8JJ

Share Capital :

Registered and paid up capital of Baht 10 million divided into 100,000 ordinary shares with par value of Baht 100

Registered and paid up capital of Baht 3 million divided into 30,000 ordinary shares with par value of Baht 100

Registered & paid up capital of GBP 100 divided into 100 ordinary shares with par value of GBP 1

Telephone :

+662 745 8112-3

+662 745 8112-3

+440 208 800 1047

Facsimile :

+662 748 7910

+662 748 7910

-

% of Ownership :

99.99%

99.99%

75.00%



2010 Media Co., Ltd.

GKE Co., Ltd.
(Formerly named GKE Joint Venture Co., Ltd.)
(held through 2010 Media Co., Ltd.)

NXH Joint Venture Co., Ltd.
(held through Nox Bangkok Co., Ltd.)

G&S Joint Venture Co., Ltd.
(held through GKE Co., Ltd.)

Principal Business :

Museum design and decoration services including all kinds of exhibition design and fabrication and other related business

Museum design and decoration services including all kinds of exhibition design and fabrication and other related business

Building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related business

Building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related business

Address :

18 Soi Lasalle 56,
Bangna Tai, Bangna
Bangkok 10260

18 Soi Lasalle 56,
Bangna Tai, Bangna,
Bangkok 10260

10 Soi Lasalle 56,
Bangna Tai, Bangna,
Bangkok 10260

18 Soi Lasalle 56,
Bangna Tai, Bangna,
Bangkok 10260

Share Capital :

Registered and paid up capital of Baht 5 million divided into 50,000 ordinary shares with par value of Baht 100

Registered and paid up capital of Baht 5 million divided into 50,000 ordinary shares with par value of Baht 100

Registered and paid up capital of Baht 1 million divided into 10,000 ordinary shares with par value of Baht 100

Registered capital of Baht 5 million divided into 50,000 ordinary shares with par value of Baht 100 (paid-up capital of Baht 25 per share)

Telephone :

+662 748 7007

+662 7487007

+662 748 7007

+662 748 7007

Facsimile :

+662 748 7591

+662 748 7591

+662 748 7591

+662 748 7591

% of Ownership :

99.99%

98.98%

93.97%

94.99%

Associated Companies



Inkjet Images (Thailand) Co., Ltd.

Ibrix Co., Ltd.

Fifty Plus Asia Ltd.

Principal Business :

Graphic design and inkjet printing

The organizer of trade shows and exhibitions, event marketing and related businesses

The organizer of trade shows and exhibitions, event marketing and related businesses

Address :

28/43-45 Vibhavadi Rangsit Road, Ladyao, Chatuchak, Bangkok 10900

111/1 Moo 6 Banmai, Pakkred, Nontaburi 11120

10 Soi Lasalle 56, Bangna Tai, Bangna, Bangkok 10260

Share Capital :

Registered and paid up capital of Baht 6 million divided into 600,000 ordinary shares with par value of Baht 10

Registered and paid up capital of Baht 5 million divided into 50,000 ordinary shares with par value of Baht 100

Registered and paid up capital of Baht 15 million divided into 150,000 ordinary shares with par value of Baht 100

Telephone :

+662 936 3366-68

+662 574 6511

+662 748 7007

Facsimile :

+662 936 3636

-

+662 745 8521-2

% of Ownership :

22.22%

40.00%

45.00%

Other Reference Information



Thailand Securities
Depository Co., Ltd.

Registrars

Address :

The Stock Exchange of Thailand
93 Rachadapisek Road, Dindaeng,
Dindaeng, Bangkok 10400

Telephone :

+662 009 9000

Facsimile :

+662 009 9991



Dharmniti Law Office Co., Ltd.

Corporate Lawyer

2/2 Bhakdi Building 2nd Floor,
Wireless Road, Lumpini,
Pathumwan, Bangkok, 10330

+662 680 9777

+662 680 9711



D I A International Audit Co., Ltd.

Mr. Joompoth Priratanakorn,
Certified Public Accountant (Thailand)
Registration No. 7645

316/32 Soi Sukhumvit 22,
Sukhumvit Road, Klongtoey,
Klongtoey, Bangkok 10110

+662 259 5300-2

+662 260 1553 and +662 259 8956

Information of Securities & Shareholders

Share Capital

As of October 31, 2019, the company has a registered capital of Baht 215,624,775 consisting of 215,294,775 ordinary shares with par value of Baht 1 and 330,000 preferred shares with par value of Baht 1. The paid up capital of Baht 215,624,559 consists of 215,294,559 ordinary shares with par value of Baht 1 and 330,000 preferred shares with par value of Baht 1.

Rights of Ordinary and Preferred Shares

Share capital of the company consists of two types of share which are ordinary share and preferred share.

The preferred shares have the right to receive dividends equal to ordinary shares. The dividend will be calculated from profit earned after the issuance of preferred shares. However, any profit on the appraisal of land, buildings and other assets, which existed before the issuance of the preferred shares, will be allocated solely to the ordinary shares.

The preferred shareholders have the right to vote in the shareholder meeting, a ten thousand preferred shares are equivalent to one voting right of an ordinary share. The preferred shares have the right to receive the proportion of their return on investments upon liquidation equal to ordinary shares.

Shareholders of Ordinary Shares

Name list and portion of top ten shareholders shown as book registered as of December 30, 2019 are as follows:

#	Name	Shares	%
1	Pico Art International Pte. Ltd.*	86,250,187	40.06
2	Mr. Pised Chungyampin	53,794,633	24.99
3	Mr. Surin Banyongpongler	26,473,301	12.30
4	Mrs. Natyanee Banyongpongler	18,991,000	8.82
5	Mr. Vichean Srimunnimit	5,166,943	2.40
6	DBS Vickers Securities (Singapore) Pte. Ltd. *	5,065,400	2.35
7	Mr. Supawit Wattanaphant	2,267,000	1.05
8	Ms. Anchana Pinijkusoljit	2,100,000	0.98
9	Mr. Savira Pinijkusoljit	1,000,000	0.46
10	Ms. Narisa Pinijkusoljit	1,000,000	0.46
		202,108,464	93.88

* The company's shares held under DBS Vickers Securities (Singapore) Pte. belong to Pico Far East Holding Limited.

Dividend Policy

Provided that there are no other needs such as major business expansion, the company has the policy to pay out the dividend at the rate of approximately 40% of net profit after taxes in separate financial statements.

On February 15, 2019, the Company's 2019 Annual General Meeting of Shareholders resolved to pay the dividend from the operating result of the year ended October 31, 2018 at the amount of Baht 0.30 per share for total 215,624,559 eligible shares totaling Baht 64,687,368. The record date on which shareholders had the right to receive the dividend was February 26, 2019. The company paid such dividend on March 15, 2019.

Detail of Dividend Distribution in the past 5 years

Year	Interim dividend (Baht/share)	Final dividend (Baht/share)	Annual dividend (Baht/share)	Dividend pay-out ratio on net profit * (%)
2015	-	0.22	0.22	81
2016	-	0.15	0.15	92
2017	-	0.125	0.125	90
2018	-	0.30	0.30	88
2019	-	0.25**	0.25	80

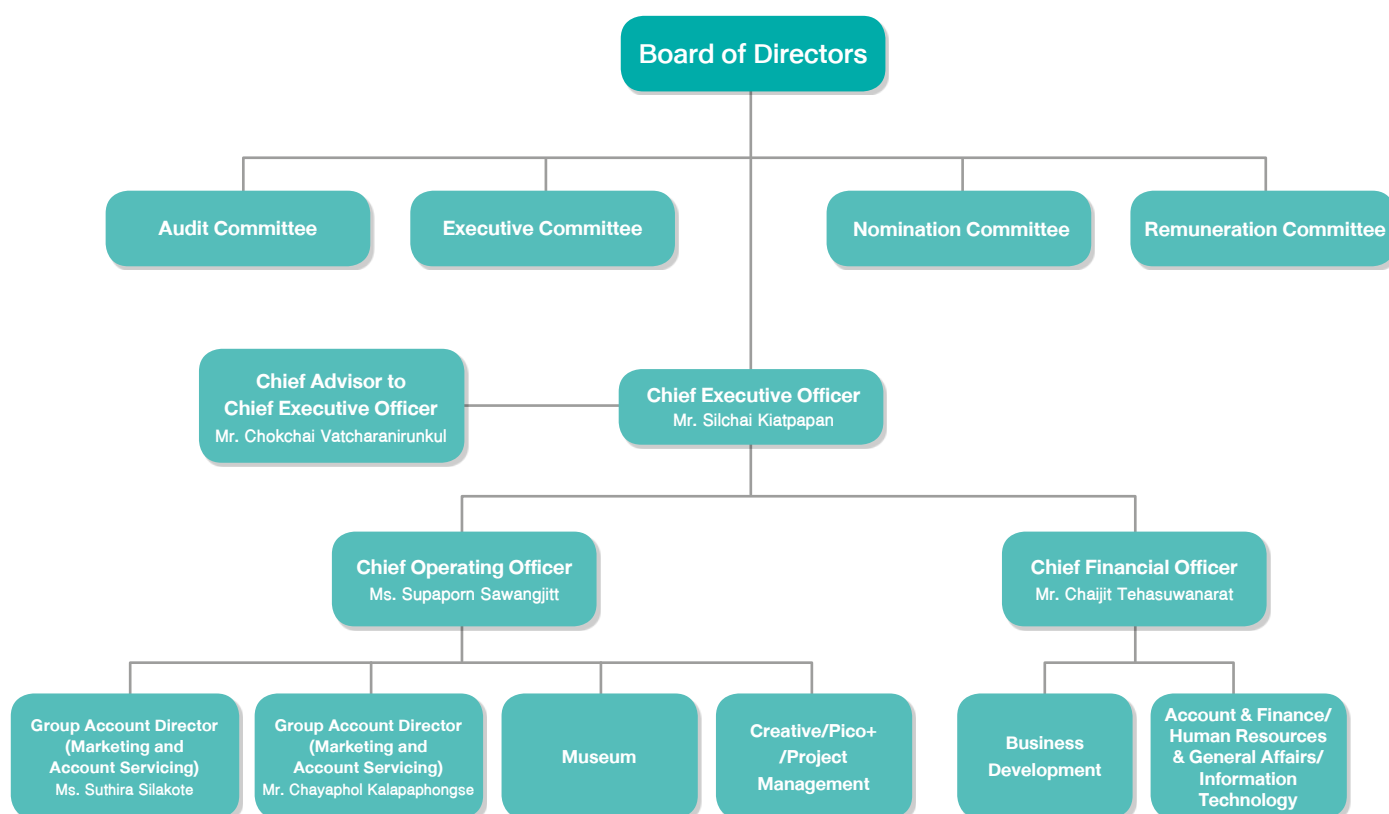
* Net profit is net profit after taxes in separate financial statements

** The Board of Director resolved to propose the annual general meeting of shareholders on February 21, 2020, to approve the final dividend distribution at Baht 0.25 per share.

With regard to each subsidiary, the subsidiary's board of directors has the policy to pay out the dividend based upon its operating results at the rate which shall be based upon its financial position and its investment plan.

Management

The structure of management of the company as of October 31, 2019 is as follows:



The Board of Directors

As at October 31, 2019, the company's board of directors consists of eight members as follows:

Name	Position
1. Mr. Chia Song Heng	Chairman
2. Mr. Silchai Kiatpapan	Director
3. Ms. Chia Yuan Jiun	Director
4. Mr. Chung Chee Keong	Director
5. Mr. Chaijit Tehasuwanarat	Director
6. Mr. Chaiyod Bunyagidj	Independent director
7. Mr. Sern Vitthespongse *	Independent director
8. Mr. Manus Manoonchai	Independent director

The eight members of the board of directors have no forbidden qualification as follows:

1. Never dishonestly committed a criminal offence against property.
2. Never entered into any transaction which may cause conflict of interest against the company during the year.

Composition of the Board of Directors

The board of directors comprises knowledgeable and competent persons who are responsible for drawing up corporate policy and collaborating with the top executives in making both short-term and long-term operating plans, financial policy, risk management policy, and organizational overview. The board plays an important role in overseeing, monitoring and assessing the performance of the Company and top executives on an independent basis.

The organizational structure of directors of the company consists of five boards.

Directors	Board of Directors (8 directors)	Executive Committee (7 members)	Audit Committee (3 members)	Nomination Committee (5 members)	Remuneration Committee (4 members)
1. Mr. Chia Song Heng	Chairman	Member		Chairman	Chairman
2. Mr. Silchai Kiatpapan	Director	Chairman		Member	
3. Ms. Chia Yuan Jiun	Director	Member			
4. Mr. Chung Chee Keong **	Director	Member			
5. Mr. Chaijit Tehasuwanarat	Director	Member			
6. Mr. Chaiyod Bunyakidj	Independent Director		Chairman	Member	Member
7. Mr. Sern Vitthesponse *	Independent Director		Member	Member	Member
8. Mr. Manus Manoonchai	Independent Director		Member	Member	Member
9. Mr. Chokchai Vatcharanirunkul		Member			
10. Ms. Supaporn Sawangjitt		Member			

* Mr. Sern Vitthesponse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

** Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

Directors Authorized to Sign & Bind the Company

Directors authorized to sign and bind the company are

1. Mr. Chia Song Heng and Mr. Silchai Kiatpapan sign together, constituting 2 signatures with the company's seal affixed OR
2. Mr. Chia Song Heng or Mr. Silchai Kiatpapan signs together with Ms. Chia Yuan Jiun or Mr. Chaijit Tehasuwanarat or Mr. Chung Chee Keong, constituting 2 signatures with the company's seal affixed.

Board of Directors' Meetings

It is the duty of each member of the board to consistently attend the Board's meetings to stay informed of the company's operations and make business decisions. The board holds at least five scheduled meetings per year, the schedules of which are arranged in advance every year and submitted to each director at the beginning of the year so all the directors can arrange their schedule for the meetings. In addition, special meetings might be held to consider urgent matters. The chairman of the board and CEO jointly determine the agenda of the meeting and which agenda items are relevant to the meetings. Every individual member of the board is entitled to propose agenda items.

In 2019, the board held 5 meetings, consisting of five scheduled meetings. Prior to each meeting, the secretary to the board of directors notifies all members the date, time and place of the meeting and also sends the agenda and supporting documents five working days prior to the date of the meeting to allow adequate time for their preparation.

When considering the matters presented to the board, the chairman of the board presides over and duly conducts the meetings. All members of the board are allowed to express their opinions independently. In the board meeting, a quorum of the meeting is reached when at least $\frac{1}{2}$ of directors are in attendance. Should the chairman be absent or unavailable to perform his duty the vice chairman, if appointed, will assume the chair. If the vice chairman is absent or unavailable then the attending directors may elect one of their own to chair the meeting. Resolution of the meeting is by simple majority. Each director has one vote except in case involving a conflict of interest he/she will not be able to vote. In case of a tie vote, the chairman will have the privilege of casting the deciding vote.

In addition, the board attaches significance to managing the conflicts of interest of the concerned parties with prudence, fairness and transparency. Such related-party information is properly disclosed.

After the Meeting, the secretary to the board of directors is responsible for preparing the minutes for all directors. The minutes must then be approved as the first agenda item of the following meeting of the Board, which is duly signed by the Chairman. Directors may make comments, corrections or additions to ensure maximum accuracy and completeness. After approval, minutes of the meeting are stored securely in the company secretary's office together with all related documents, which are backed up electronically to facilitate data searches.

The Attendance of the Directors in 2019

(November 1, 2018 - October 31, 2019)

Directors	Board of Directors (8 directors) Total 5 times/year	Executive Committee (7 members) Total 5 times/year	Audit Committee (3 members) Total 4 times/year	Nomination Committee (5 members) Total 4 time/year	Remuneration Committee (4 members) Total 3 time/year
1. Mr. Chia Song Heng	5/5	5/5		4/4	3/3
2. Mr. Silchai Kiatpapan	5/5	5/5		4/4	
3. Mr. Yong Choon Kong *	3/3	3/3			
4. Ms. Chia Yuan Jiun	3/5	4/5			
5. Mr. Chung Chee Keong *	1/1	1/1			
6. Mr. Viriya Pholpoke **	2/2			1/1	2/2
7. Mr. Chaijit Tehasuwanarat	5/5	5/5			
8. Mr. Chaiyod Bunyakidj	5/5		4/4	4/4	3/3
9. Mr. Sern Vithesponse ***	5/5		4/4	4/4	3/3
10. Mr. Manus Manoonchai	5/5		4/4	4/4	3/3
11. Mr. Chokchai Vatcharanirunkul		5/5			
12. Ms. Supaporn Sawangjitt		3/5			

* Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

** Mr. Viriya Pholpoke resigned as the company's director, nomination committee member and remuneration committee member with the effective date from March 5, 2019 onwards.

*** Mr. Sern Vithesponse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Top Executives

Top executives of the company are

- Mr. Silchai Kiatpapan
Chief Executive Officer
- Mr. Chokchai Vatcharanirunkul
Chief Advisor to CEO
- Mr. Chaijit Tehasuwanarat
Chief Financial Officer
- Ms. Supaporn Sawangjitt
Chief Operating Officer
- Mr. Chayaphol Kalapaphongse
Group Account Director (Marketing and Account Servicing)
- Ms. Suthira Silakote
Group Account Director (Marketing and Account Servicing)

The above-mentioned top executives of the company are "Executive" according to the Notification of Capital Market Supervisory Board No. Tor Jor 23/2551.

The six members of top executives have no forbidden qualifications as following :

- Never dishonestly committed an offence against property.
- Never entered into any transaction which may cause conflicts of interest against the company during the year.

Report of Changes in Securities Holdings of Directors and Executives

Directors/Executives	Ordinary shares of PICO (shares)		
	As at November 1, 2018	Increase/(Decrease) during the financial year	As at October 31, 2019
Mr. Chia Song Heng	-	-	-
Mr. Silchai Kiatpapan	42,321	-	42,321
Mr. Yong Choon Kong *	-	-	-
Ms. Chia Yuan Jiun	-	-	-
Mr. Chung Chee Keong *	-	-	-
Mr. Viriya Pholpoke **	-	-	-
Mr. Chaijit Tehasuwanarat	-	-	-
Mr. Chaiyod Bunyakidj	-	-	-
Mr. Sern Vithesponse ***	-	-	-
Mr. Manus Manoonchai	-	-	-
Mr. Chokchai Vatcharanirunkul	87	-	87
Ms. Supaporn Sawangjitt	6,211	-	6,211
Mr. Chayaphol Kalapaphongse	-	-	-
Ms. Suthira Silakote	187	-	187

* Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

** Mr. Viriya Pholpoke resigned as the company's director, nomination committee member and remuneration committee member with the effective date from March 5, 2019 onwards.

*** Mr. Sern Vithesponse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

The Company Secretary

The board appointed Ms. Kulsiri Denrungruang as the company secretary responsible for organizing the meetings of the board, committees and shareholders. The company secretary is also in charge of preparing the minutes of the board's meetings, the minutes of shareholders' meetings, and the annual report as well as filing documents as stipulated by law. She is deemed by the board to be appropriate and knowledgeable in managing corporate secretarial work. The Company constantly supports the company secretary to undergo training and development in the areas of law, accounting, or corporate secretarial work. The qualifications and experience of the company secretary are disclosed in the company's annual report.

The Person Supervising Accounting

The company appointed Ms. Amara Banditakon as the accounting manager responsible to the direct responsibility of supervising accounting and financial statement preparation. The appointed accounting manager is a professional accountant charged with accounting duties with qualifications and conditions prescribed by the Notification of the Department of Business Development and the SEC Notification No. TorJor.39/2559;

The details of Directors, Executives, Authorized Persons, Person Taking Highest Responsibility in Finance and Accounting, Person Supervising Accounting and Company Secretary are in the appendix 1.

Director and Top Executive Remuneration

Director Remuneration

The company sets appropriate remuneration for members of the board of directors at rates comparable to those of leading companies listed in the SET, and other top companies in the same industries. Remuneration for directors is also considered based on the company's operating results and the scope of duties and responsibilities of each director, before being proposed for approval in the shareholders' meeting.

Top Executive Remuneration

Chief Executive Officer

The board and the remuneration committee assess the performance of the CEO based on the company's operating results, implementation of the board's policies, and the overall socio-economic circumstances. The remuneration committee will then consider the appropriate remuneration in short term and long term for the CEO of the company and propose such amount to the board for approval, taking into account the following information regarding the current and previous years:

1. The company's operating results i.e. net profit. The target net profit shall be set forth each year for assessment and comparison purposes.
2. The company's operating results compared to those of other companies in the same industry, both locally and internationally.
3. The CEO's capability to develop the company businesses and improve operational efficiency for each business unit each year.

Other Top Executives

The company has established remuneration policies that offer appropriate remunerations to top executives and are competitive with those of other companies in the same industry with adherence to fair and equitable compensation practices both within and beyond the group. To maintain a shared sense of internal equity and fairness, remuneration is determined by job value. Each job is appropriately assigned to a pay grade that represents employees performing similar work in the compensation structures. Top executives are entitled to fair and equitable compensation based on their performance as well as each position's requirements and responsibilities. As for external equity, the company pledges to align the compensation with the economic circumstances, inflation rates, the Consumer Price Index, and remunerations of other businesses in the same industry, the data of which is garnered through surveys of wages and remunerations of top executives in external industries. The company determines compensation in alignment with the company's short and long term operating results. In the short term, the annual operating results such as revenues from sales and net profit will be factored into the equation. In the long term, the company's long-term comparatives including profit growth, market shares, sustainable development performance, overall operating results and ongoing operational enhancement are taken into consideration.

Monetary Compensation

Directors

The 2019 annual general meeting of shareholders held on February 15, 2019 approved directors' remuneration 2019 in the amount not exceeding Baht 6,000,000. This is effective from the date of the annual general meeting of shareholders until otherwise changed by another shareholders meeting's resolution.

Detail of the Payment of Directors' Fee

Monthly Compensation

Baht 10,000 per month per person

Meeting Attendance

Baht 20,000 per attendance for Chairman of Board of Directors and Chairman of Audit Committee and

Baht 15,000 per attendance for directors

Independent Director's Remuneration

To be considered by the board of directors

- The board of directors meeting no.2/2019 held on March 11, 2019 approved to pay the audit committee's remuneration to the independent directors who also serve as the audit committee members in the amount of Baht 50,000 per person per quarter.
- The board of directors meeting no.5/2019 held on December 13, 2019 approved the bonus payment for the year 2019 to independent directors in consideration of individual responsibility in total amount of Baht 2,660,000.

Monetary compensation to directors in 2019 according to the resolution of the board of directors is as follows:

Name	Monthly Compensation (whole year)	Meeting Attendance	Audit Committee's Remuneration	Bonus	Total
Mr. Chia Song Heng	120,000	100,000	-	-	220,000
Mr. Silchai Kiatpapan	120,000	75,000	-	-	195,000
Ms. Chia Yuan Jiun	120,000	45,000	-	-	165,000
Mr. Yong Choon Kong *	70,000	45,000	-	-	115,000
Mr. Chung Chee Keong *	50,000	15,000	-	-	65,000
Mr. Viriya Pholpoke **	50,000	30,000	-	-	80,000
Mr. Chaijit Tehasuwanarat	120,000	75,000	-	-	195,000
Mr. Chaiyod Bunyagidj	120,000	100,000	200,000	900,000	1,320,000
Mr. Sern Vithespongse ***	120,000	75,000	200,000	880,000	1,275,000
Mr. Manus Manoonchai	120,000	75,000	200,000	880,000	1,275,000
Total (Baht)	1,010,000	635,000	600,000	2,660,000	4,905,000

* Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

** Mr. Viriya Pholpoke resigned as the company's director, nomination committee member and remuneration committee member with the effective date from March 5, 2019 onwards.

*** Mr. Sern Vithespongse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Top Executives

In 2019 the company paid monetary compensation, which is salary and bonus to 6 executives in total amount of Baht 37.1 million.

Other Compensation

In 2019 the company made contributions of Baht 1.3 million to the provident fund for the executives as the employees of the company.

* The above-mentioned executives of the company are "Management" in accordance with the Securities and Exchange Commission Notification No. Tor Jor 23/2551 which include managing director, the next four executive levels immediately after the managing director and all persons in positions equivalent to these fourth executive levels including chief financial and accounting officer.

Personnel

Personnel Development Policy

To ensure continued corporate growth human resource development is an integral part of our policy. We are committed to develop our human resources and improve our human resource administration by focusing on the employee recruitment, accompanying with continuous supporting skills, knowledge and capability development, and promoting PICO values as Learning Organization so that quality work goes hand in hand with quality life. Staff members are encouraged to build on their strengths in accordance with our business approach and to be ready for the competition and continual changes.

Our human resource administration goes hand in hand with job satisfaction along the following guidelines:

Recruitment & Selection Process

We have a guideline for the recruitment of high caliber staff members. A selection committee utilizes standardized tests based on capability in recruiting required personnel for the corporate assignment. Consideration is also given to the assessment of manpower requirement commensurate with the responsibility and business operation. Also, we prepare our human resources ready to support the growth of business in the future.

Staff Training

We emphasize on employee development. Especially nowadays there have been rapid changes in the context of the country. We are thus continuously committed to the development of each and every staff member to develop to his/her highest potential. Staff trainings include internal and external training courses, overseas training and observation visits, project assignment, on-the-job training and online learning. We promote learning and cognitive development creatively in many ways for employees to show their full potential in individual and teamwork level in order to create knowledge sharing network. This creates company's values added and competitive advantage resulting in the sustainable corporate success.

Employee Relations

We have continuously established an ongoing employee relations and engagement program to ensure that employees are well bonded. Staff members are encouraged to participate in the various aspects of corporate activities such as Merit Activity and New Year party. Additionally, core activities with social contribution are also encouraged such as 3R project, Pico Global Care in Action project, Run Together Joy Together charity run project, San Rak Calendar project and Pico Family Canteen project, the community restaurant "sharing a happiness space".

We encourage employees to adhere to the corporate culture by having accountability, integrity and dignity for supporting employees to work on morality. We also provide a good quality of working life such as appropriate welfare, safe working conditions, health care and awareness in collaboration.

Welfare Benefits

We emphasize on offering suitable compensation and welfare benefits for employees by having welfare committees. We have an equitable compensation system in place. A provident fund, health, disability and life insurance program are in place. Additionally, staff has an access channel to air grievances to management for due consideration and further mutually beneficial resolution.

Security and Occupational Hazards

A safety committee is established to ensure of work place safety. Regular inspections on safety and security of premises are conducted. Adequate safety equipment is provided and staffs are well advised on fire safety and the appropriate use of fire-fighting equipment.

The company held a public forum to educate employees. Various experts were invited to give insight to employees e.g. knowledge of exercise at work. The company also focuses on quality of life for employees to be coupled with the growth of the business and focuses on health of employees, both physical and psychological health, by providing an annual health check.

Number of Employee

As at October 31, 2019, the number of employee of the company and subsidiaries was 201 persons detailed as follows:

	Person
Pico (Thailand) Public Company Limited	147
Subsidiaries	54
	201

Breakdown of Pico (Thailand) Public Company Limited's employee of 147 persons was as follows:

	Person
Management	13
Business Development	6
Marketing & Account Servicing	32
Museum	12
Creative/Pico+/Project Management	46
Human Resources and General Affairs	16
Finance & Accounting	17
Information Technology	5

Employee Compensation

The company has established remuneration policies that offer appropriate, fair and equitable remunerations to employees on all levels and are competitive with those of other companies in the same industry. To maintain a shared sense of internal equity and fairness, remuneration is determined by job value. Each job is appropriately assigned to a pay grade that represents employees performing similar work in the compensation structures. As for external equity, the company pledges to align the compensation with the economic circumstances, inflation rates, the Consumer Price Index, and remunerations of other businesses in the same industry, the data of which is garnered through surveys of wages and remunerations of employees on all levels in external industries to be fair and able to compete with those of other companies in the same industry. The company determines compensation in alignment with the company's short and long term operating results. In the short term, the annual operating results such as revenues from sales and net profit will be factored into the equation. In the long term, the company's long-term comparatives including profit growth, market shares, sustainable development performance, overall operating results and ongoing operational enhancement are taken into consideration.

Monetary Compensation

In 2019 total monetary compensation, which is salary and bonus, paid to employees of the company and subsidiaries was Baht 157.2 million.

Other Compensation

Employees of the company and subsidiaries contribute either 3% or 5% of monthly salary to the provident fund plan, which is matched by equal contribution from the companies. Employees are entitled to the benefits based upon their length of service with 2, 3 and 5 years of service drawing 30%, 50% and 100% from the fund on leaving, respectively. In 2019 the company made contributions of Baht 5.4 million to the provident fund for the company and subsidiaries' employees.

Corporate Governance

Corporate Governance Policies

The company's policy is for its members of the board to comply with the regulations of listed companies with respect to the duty and responsibility of directors. Subsequent to the company's transformation to a public company, the board of directors and the audit committee together established supervisory guidelines in overseeing the company's operation and to clearly define the scope of authority of directors and management. This covers compliance to the law, memorandum of the association, bylaws and the resolutions of the shareholders with honesty, integrity and utmost care to ensure maximum benefits to the company. The directors are also charged with establishing the company's policy and business direction and to ensure that the set policy is followed by management.

Pursuant to the guidelines established by the SET for listed companies, the company summarized the practices of corporate governance in 2019 as follows:

I. Rights of Shareholders

The company has the policy to support, promote, and facilitate every shareholder including institutional investors to ensure that shareholders, both as investors and owners of the Company, are entitled to all basic rights meeting widely accepted and reliable standards, which include the right to freely trade or transfer their own shares, the right to receive dividends from the company, the right to attend Shareholders' Meetings, the right to express opinions independently, and the right to make decisions on important affairs of the company e.g. the election of directors, the appointment of auditors and fixing of the audit fee, the amendment of Memorandum of Association and Articles of Association of the company, as well as the approval of significant transactions influencing the company's direction. Apart from the abovementioned rights of the shareholders, the company has made additional efforts to encourage and facilitate shareholders to exercise their rights as follows:

1. The company provides essential, clear, and up-to-date information for shareholders regarding the company's business. The company will notify shareholders of the information through the company's website and the Stock Exchange of Thailand.
2. To ensure that all shareholders receive clear and sufficient detailed information, allowing them to have adequate time to study the information before attending the shareholders' meeting, the company has submitted the annual meeting notice together with supporting information to all shareholders at least 7 days in advance to inform the meeting agenda together with the directors' opinion and recommendation for each of the agenda presented. Such information both in Thai and English will be posted on the company's website 14 days in advance prior to the date of the meeting. The notice will also be announced in the newspaper for three consecutive days and at least three days prior to a shareholders' meeting for the shareholders to prepare themselves in joining the meeting.

3. To facilitate shareholders unable to attend a Meeting, the company provides an opportunity for them to appoint a representative, e.g., an independent director or any other person to act as proxy, using the proxy form attached to the notice of the meeting. The proxy form prepared in compliance with the specifications defined by the Department of Business Development at the Ministry of Commerce allows shareholders to exercise their voting rights as they wish. The company also attaches the explanations on the method of granting proxy including profile of independent directors proposed by the company to serve as proxies for shareholders, registrations, documents required before attending the meeting, voting on each agenda item, regulations concerning meetings of shareholders and voting to the notice of the Meeting.
4. In 2019, all members of the board of directors attended the Annual General Meeting of Shareholders.
5. In 2019, the Annual General Meeting of Shareholders was held on February 15, 2019 at Bannabhiromya room, Phothalai Leisure Park. The company deemed the venue was appropriate to organize the meeting and sufficient to support all attending shareholders. In addition, the company facilitated all shareholders at the meeting by arranging adequate number of staffs to welcome and check registration documents. The company made registration process available one hour before the meeting starts by using bar code system to shorten the registration process.
6. Before the meeting started, the chairman of the board of directors assigned Mr. Chaijit Tehasuwanarat to clarify rules and criteria to the meeting such as the opening, voting procedures, counting of shareholders' vote for each agenda. The legal advisors from Dharmniti Law Office are the witness and independent auditors from DIA International Audit Co., Ltd. are the moderators to check the vote for transparency throughout the Meeting with the shareholders' right protection volunteer from Thai Investors Association serving as an observer. For the issue of voting on the election of directors, the company allowed shareholders to vote each director individually. For the issue on the appointment and remuneration of auditors, auditors' names, company's name, the independence of auditors, and audit fee are specified in the notice for consideration of the suitability of auditors.
7. Shareholders arriving after the Meeting commenced were allowed to vote on the agenda item considered provided that a resolution was not yet made. They constituted part of the quorum starting from the agenda item for which they were in attendance and can exercise their rights. As a consequence, the number of shareholders in each agenda item might vary.
8. At the Meeting, shareholders were allowed to freely express their opinions, give suggestions and raise questions on any agenda item before casting votes, so that shareholders could obtain sufficiently detailed information on the matter in question. When shareholders had questions or inquiries, the company's officers were available to answer queries under the responsibility of the board.
9. The results of the vote count shall be announced at the Meeting after the completion of the counting of votes for each agenda item. However, vote counting for some agenda items might take longer. In such cases, the Chairman might request the Meeting to proceed with the consideration of the next item on the agenda to avoid disrupting the Meeting. The Meeting is informed of the result as soon as the vote counting has finished.
10. The agenda of the 2019 Annual General Meeting of Shareholders was considered chronologically as it appeared in the invitation letter submitted to shareholders prior to the Meeting, without any changes in order or request the Meeting consider any agenda item other than those specified in the invitation letter. Moreover, after all agenda items were considered, the Chairman welcomed shareholders' additional queries of their interest before declaring the meeting adjourned.

11. The company disclosed the voting results and resolutions for each agenda item at the 2019 Annual General Meeting of Shareholders to the public via SET Portal and the company website after the Meeting ended.
12. The company prepared the minutes of the Shareholders' Meeting completely encompassing all material information: names of directors attending the Meeting, voting procedure, resolutions of the Meeting, voting results for each agenda item, key questions, clarification, and shareholders' comments. The Company prepared the minutes of the 2019 Annual General Meeting of Shareholders within 14 days from the date of the meeting, submitted them to the Stock Exchange of Thailand and the Ministry of Commerce as stipulated by law and posted the minutes and the video record of the Annual General Meeting of Shareholders on the company's website.

II. Equal Treatment to All Shareholders

Each shareholder or group of shareholders is treated equally whether they are management or non-management, majority or minority shareholders or foreign shareholders:

- The company distributes the notices to shareholders at least 7 days prior to the shareholders' meeting and provides the notices and relevant documents in English for foreign shareholders.
- The company posts the notices in both Thai and English on the company's website 14 days in advance prior to the shareholders' meeting.
- The company delivers proxy form B which is attached with the notices to shareholders. It clearly explains the procedure and related documents for shareholders to prepare documents properly and do not cause problems in the attendance of proxy holders. This is to allow shareholders who are unable to attend meeting may appoint proxy holders or independent directors to attend and vote on their behalf. The independent directors' profile and report of conflict of interests in each agenda are attached completely.
- The shareholders' meeting shall be conducted according to the agenda notified in the notice and it is our policy not to add items to the agenda without advance notice to shareholders.

Inside Information

The company has the policy to control and monitor the use of inside information by directors and management, including their spouses and minor children, for their personal benefit to comply with the Securities and Exchange Act B.E. 2535 and the Securities and Exchange Act amended B.E. 2559 and to align the company practices with the SEC Office and the Stock Exchange best practices. The details are as follows :

- Directors and managements are informed of their responsibility to report their stockholding and the penalties for failure to comply with section 59 of Securities and Exchange Act B.E. 2535 and Securities and Exchange Act amended B.E. 2559 and the regulations of the SET.
- Management and staffs who receive inside information are prohibited from disclosing such information to any third parties or not involved parties.
- All directors and managements are prohibited from trading the company stocks for 30 days prior to release of the company's quarterly and annual financial statements, and for 24 hours after the release.
- In case management have knowledge of confidential information that could have any impact on the company's stock price, they are prohibited from trading company stocks until 24 hours after the public disclosure of such information.
- Directors and executives as defined by SEC (top executive) are required to report any changes in securities holding as a result of the purchase, sale, transfer or acceptance of transfer of securities within three business days of the date of any changes through SEC's electronic system. In addition, the board of directors will monitor to ensure compliance with such measures. It is stipulated that any changes in their shareholding must be reported in the board of directors' meeting quarterly. The number of shares held by the directors and top executives both directly and indirectly as of the beginning and end of the year as well as those traded during the year shall be reported in the Annual Report.

In 2019, there were no insider trading cases concerning the director, top executives, and employees involved with internal information.

Conflict of Interest

In order to avoid conflict of interests, the company specifies the rules with regard to the conflict of interest as follows:

- Any director or executive, who have conflict of interests in any agenda item under consideration, cannot vote on such agenda item. This is to ensure that the Board and executives make decisions in a fair manner for the utmost benefit of shareholders.
- In case of the related party transactions that are the normal business transactions or the transactions to support the normal business with general commercial terms and conditions and their transaction price that can be calculated from the underlying assets or reference prices, the procedure to undertake these transactions shall be in accordance with the regulations of SEC and SET with regard to the connected transaction. The undertaken transactions shall be reviewed by audit committee on a quarterly basis.
- In case of other related transactions apart from the above mentioned, the audit committee shall provide their opinions with regard to the necessity of the transaction and the reasonableness of the transaction's price by considering the normal business practice of the industry and comparing the undertaken price with the price of others or the market price. In case that the audit committee has no expertise on any transaction, the company would hire an independent specialist or an auditor to provide their opinion on such transaction for the consideration of the audit committee, the board of directors or the shareholders as the case may be. The directors who may have any conflict of interest of the transaction will not be able to vote on such transaction.

III. Stakeholders

All stakeholders are equally treated to foster a harmonious relationship leading to the growth and prosperity of the company in the long run.

Stakeholder engagement guidelines are summarized as follows :

Shareholders :

The company's business operation is always full with the honesty, integrity, and transparency to ensure the sustainable growth for increasing the shareholders' value and ultimate returns. The company is also considerate of shareholders' rights and equality as disclosed in section 1 "Rights of Shareholders" and section 2 "Equal Treatment to All Shareholders".

Employees :

The company is fully cognizant that employees are its most valuable asset and the key factor for growth. The company thus focuses on the quality policy "Quality Life, Quality Work" with the belief that quality work only comes from quality life (staff). Therefore, PICO (Thailand) encourages the continuing knowledge development of all employees and gives them fair treatment at work and competitive compensation and benefit package such as provident fund, life and health insurance. The Company also creates the channel for all employees to give feedbacks and recommendations to their peers or management. So these feedbacks and recommendations can be analyzed and brainstormed to become a mutually acceptable solution which will benefit all employees and the Company's operation and also make a good relationship among the entire Company.

The company's treatment of employee including employee development and compensations are disclosed under section "Management".

Trading partners :

The company is committed to the market practice while ensuring that all parties receive appropriate returns for both parties. This includes avoiding situations leading to the conflict of interest as well as strictly abiding by the terms of contracts.

The company adheres to a framework of fair and transparent trade competition and strictly complies with the trading terms and conditions agreed upon and pledges given to its suppliers. To this effect, the company determines appropriate and fair sale prices, taking into account the reasonableness, the quality, and the entailed services. In addition, regulations regarding procurement and operations are clearly established. These include refraining from demanding or accepting benefits from suppliers, supporting environmentally-friendly procurement, avoiding purchasing products from suppliers that violate human rights or intellectual property law as well as dealing business with suppliers that carry out illegal acts.

The board of directors approved the implementation of the company's procurement and vendor selection policies and guidelines, in which the policy regarding the selection and screening, the required qualifications, and the application of the company's suppliers/business partners, as well as the procedures involved in carrying out business with the company are clearly prescribed. This is in order to ensure ethical business conduct and responsibility toward society and the environment. The company also refuses to conduct business with a person or a juristic person who violates the law or demonstrates behavior involving corruption.

Customers :

We offer maximum benefits to the customers through the best and highest service quality, product standard, responsive to needs and respect of customer's privileged information.

Evident from being one of the first MICE and Events organizations who are certified of ISO 9001: 2015 Project Management for Event Marketing, Exhibition, Museum, the services provided by PICO are clearly up to a very high international standard.

Such certification is a proof of our professional services with the good standard of safety, efficient working processes, systematic data collection, and punctual delivery of projects.

Joint Venture Partners :

The company respects the rights of joint venture partners, treats every partner equitably and fairly, and does not exploit partners. The company also collaborates with joint venture partners to promote, support, and strengthen the operation of joint ventures; encourage exchange of opinions and suggestions; formulate business plans; determine an appropriate and transparent allocation of interest and monitor and drive the operation of the joint ventures to be in accordance with the laws and sustainable development guidelines, in order for the joint ventures to achieve the shared goals.

Competitors :

We believe that competition induces creative development and we abide by the rules of a good competition and an honest competition framework. We will not resort to predatory practices on our competitors. The company is committed to carrying out business fairly in compliance with the law and the company's code of conduct and with concern for trade ethics and transparency. The company also refuses to gain an unfair advantage over its competitors through unlawful activities, seek confidential information through unethical or inappropriate means, engage in any action that violates competitors' intellectual properties rights, or destroy competitors' reputations with defamatory and untruthful statements. In addition, the company supports and promotes free trade, avoiding any acts that monopolize the market, impede or limit fair competition.

Creditors :

The company takes into account equality for all concerned parties and honesty in carrying out its business. The company is also committed to creating confidence and ensuring fair treatment to creditors. The company thus strictly complies with the terms and conditions agreed upon with respect to amortizing, collateral care, and commitment and contingent liabilities. In addition, the company strives to maintain sustainable relations and mutual trust with creditors.

Policies and guidelines regarding the treatment of creditors are as follows:

1. The company treats creditors equally, fairly, transparently and in compliance with the law without taking advantage of the parties to the agreement.
2. Any fraudulent method or concealment of material facts or information that may damage the creditors are prohibited.
3. The company strictly complies with any agreed terms and conditions with all types of creditor accurately and straight forwardly.
4. The company will pay loans plus interests to all types of creditor at the full amount when due.

To maintain the creditors' confidence, the company stresses the importance of managing its finances to create an appropriate financial structure. The company also strives to constantly keep creditors abreast of the company's business status and maintain sustainable relations with creditors.

Community, Society and Environment :

We are aware of our duty and responsibility to the community, society and environment and strive to ensure that the rights of all stakeholders are protected through strict compliance to the law and regulations. Additionally, the Company is always considerate of environment impact when offering a service and conducts the business with the philosophy that "What is good to the community is good to the business", the Company has thus always been focusing in offering the innovative services that create value to the society as a whole (Creating Shared Value). Further detail on the Company's creating shared value and environmental management can be found under "Corporate Social Responsibility".

Whistle-Blowing Policy and Whistler-Blower Protection :

The company has given priority to good corporate governance and opened up opportunities for employees and stakeholders to report or inform any irregularities in the business operations of the company such as corporate governance, ethical practices, corruption, financial transactions, code of conduct, and compliance with legal requirements, regulations through the specific channels provided. This is to ensure that investigation of complaints is conducted according to the process specified in the whistle blowing policy guidelines.

The company has provided channels for complains as follows:

1. Chairman of Audit Committee or the Board of Directors
Pico (Thailand) Public Company Limited
10 Soi Lasalle 56, Bangna Tai,
Bangna, Bangkok 10260
2. Company Secretary Tel. +662-748-7007 or companysecretary@picothai.com
3. Internal Auditor Tel. +662-748-7007 or internalauditor@picothai.com

The company will proceed the investigation according to the specified process and properly record the result without disclosing the whistle-blowers' name, and will also keep their information confidential.

IV. Disclosure & Transparency

We recognize the significance of disclosures of financial and non-financial information to the public. These disclosures are made in accordance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and related laws through many channels such as its annual registration statement (form 56-1), annual report (form 56-2) and our website at www.picothai.com. Additionally, the company gave the opportunity for investors and analysts both domestic and abroad to communicate with the company via the investor relations department.

The company has disclosed details of directors' remuneration in the management structure section. In addition, the company set policies for directors to make quarterly reports on the purchases-sales of shares/holding in company stocks and change on their conflict of interest to the board of directors meeting.

The company is committed to strictly obeying the law, and the regulations and obligations mandated by the Securities and Exchange Commission (SEC), SET, and relevant government bodies. Regular amendment takes place to ensure accurate information disclosure and to guarantee the company's transparency in conducting business. For example, we:

1. Compile reports as required by laws related to directors and top executives and submit such reports to the Securities and Exchange Commission.
2. Establish a policy that requires the company's directors and executives to report their own interests, and those of any related persons, which are vested interests relating to the operating of the company or its subsidiaries according to the criteria and reporting procedures prescribed by the company.
3. Establish a policy requiring directors and top executives to disclose/report the change in their shareholding of the company's ordinary shares to the board of directors' meeting quarterly. The report of such change in shareholding also includes the company's ordinary shares held by such directors and top executives' spouse and minors. The detail of shares held by directors and top executives as at the beginning and the ending of the year together with the shareholding movement during the year is disclosed in the company's Annual Report.
4. Prepare a report on the Board's responsibility for financial statements and present it in the Annual Report.
5. Publish Notice of Annual General Meeting of Shareholders and Annual Report within 120 days after each financial year-end.
6. Publish minutes of the latest and previous Annual General Meeting of Shareholders on the company's website.
7. Disclose the roles and responsibilities of the board of directors and sub-committee, the number of meetings held, and the number of meetings each individual director and sub-committee member attended.
8. Disclose the date of the director's appointment in the company's Annual Report.
9. Disclose the board member selection process²
10. Disclose the policy on the remuneration of directors and top executives
11. Disclose the detail of the director remuneration in the company's Annual Report section "Management".
12. Disclose details of each individual director's attendance of courses offered by the Thai Institute of Directors Association (IOD).
13. Disclose detailed information on the operations and investment structure of subsidiaries, associates, joint ventures and other companies.
14. Disclose the audit fee and other fees in the company's Annual Report.
15. Disclose policy on environmental and social responsibility.
16. Disclose corporate governance policies.
17. Reveal significant investment projects and relevant impacts of the projects via the SET Portal of the Stock Exchange of Thailand and the company's website to ensure that shareholders, investors, the press, and related parties are kept informed of information accurately, extensively, and transparently.

We are confident that shareholders can have access to the necessary information from these channels. Moreover, shareholders and the general public can readily reach our investor relations officer for additional information. Ms. Kulsiri Denrungruang, company secretary, serves as the investor relations officer and can be reached at 02-748-7007 or email address kulsiri@picothai.com.

The Company's Information Distribution Channels

The company places great importance upon transparency and full disclosure of significant financial, operational, and other relevant information, so that it is accurate, complete, and timely. In addition to fulfilling legal and SET reporting requirements, the company has established other channels to distribute information and communicate with all stakeholders. These communications channels include the quarterly announcement of the company's operating results, the regular announcement on significant investment projects and activities, and internal activities to disseminate policy and operational guidelines to employees.

The Investor Relations Department

The Investor Relations Department of the company is responsible for communications with institutional investors, retail investors, shareholders, analysts and relevant government bodies on an equal and fair basis. Should the shareholders require additional information, they can contact the Investor Relations Department directly via kulsiri@picothai.com.

V. Responsibility of Directors

Structure of the Board of Directors

- In the selection process for directors, the chairman of the board appoints the nomination committee to assist in the consideration of persons with appropriate qualifications and no prohibited characteristics as set forth in the laws governing public companies. The key criteria include their vision, basic qualifications and extensive experience, which will be beneficial to the company. Such person must be of highest moral value and unquestioned ethics in accordance with code 68 of the Public Company Act B.E. 2535 and the relevant announcements of the SEC and the SET. The selected person is then submitted to the board for election during its meeting.
- The company's board of directors consists of eight directors with three being independent directors. The ratio of independent directors is 1/3, which is in compliance with the rules and regulations established by the Stock Exchange of Thailand.
- Members of the board serve for a period of three years. The longest serving director will take turn in retiring in the proportion of one third of total.
- Five directors are appointed as executive committee members responsible for the company's administration to align with the company's direction, business plan and established annual budget. The segregation of duties and responsibilities between the board of directors and the executive committee is thus clearly determined.
- The audit committees are appointed by the board of directors to assist in the oversight of operation. The audit committee members are wholly independent directors. The audit committee holds the meeting quarterly. In addition, it holds meeting with the external auditor every three-month and reports to the board of directors.
- The nomination and remuneration committees are appointed by the board of directors for screening and selecting the appropriate person (s) as member(s) of the board of directors and providing the recommendation for the remuneration package and other benefits in consideration of the director's duty and responsibility.
- Ms. Kulsiri Denrungruang is appointed as the company secretary, the secretary to the board of directors and the audit committee with the duty to advise on legal aspects and other pertinent regulations that the directors need to be cognizant of. She also coordinates and ensures that the resolution made by the board of directors meeting is properly implemented.

Checks and Balances of Directors

The board of directors is responsible for the oversight of the executive committee members in its implementation of the established policy. The chairman of the board of directors is the different person with the chairman of the executive committee and chief executive officer so as to provide a check and balance by clearly determining roles and responsibilities

Furthermore, an audit committee, comprising of 3 independent directors, is appointed to review and verify the company's operation to ensure that the business plan and decisions are properly made and not dominated by the executive committee or a single group of persons.

Checks and balances of non-management directors

The board of directors' composition is determined on the basis that no person or group of persons can dominate the decision making process to ensure of operational efficiency an established check and balance mechanism.

- 5 directors are members of executive committee
- 3 directors are non-executive directors who are also independent directors.

Limitation of the Number of Companies outside Pico Group in Which a Director May Hold Directorship

The board of directors has set a policy to limit the number of the companies outside Pico Group in which each director may hold a directorship. This policy is to ensure that directors have sufficient time to handle their duties efficiently. It is determined that each director should hold directorship of a maximum of five companies outside Pico Group.

As at October 31, 2019, there is no director holding directorship of more than 5 companies outside Pico Group.

Company Secretary

The board appointed Ms. Kulsiri Denrungruang as Company Secretary. The board deemed that she is appropriate because she is knowledgeable in Accounting and passed training program relevant to the duties of company secretary. The details are disclosed in Appendix 1: Details of Directors, Executives, Authorized Persons, Person Taking Highest Responsibility in Finance and Accounting, Person Supervising Accounting and Company Secretary.

Company Secretary is in charged with the following duties :

- Responsible for organizing the shareholders and board meetings according to laws, company's article of association, and relevant standard practices
- Keep and maintain the meeting notices, the meeting documents, minutes of the meetings, and monitor the implementation of the resolutions of the shareholders' meeting and the board's meeting.
- Prepare and file the board register
- Serve as consultant and secretary to the board
- Ensure the company's compliance with all related laws and regulations
- Coordinate with the legal advisor and the auditor
- Provide advice to the board regarding legal issues and the company rules and regulations and ensure compliance with such rules and regulations, and report the significant change in such rules and regulations to the board of directors
- Responsible for preparing and filing annual reports (Form 56-2) and annual registration statement (Form 56-1)

The Professional Development of Directors and Management

The company set the policy to support the development of skills for directors, management, and corporate secretary by requiring their attendance of seminars which offers by professional institutions such as Thai Institute of Directors (IOD), Listed Companies Association and others. The purpose is to build confidence in the boards' ability to monitor the company's performance effectively. The corporate secretary has been assigned to file the history of training program of board members and propose the appropriate training programs for consideration.

Training programs taken by the company's directors and management are as follows:

Directors and Management	Training Program	Organized By
Mr. Chia Song Heng	● Cyber Security and Cyber Risks Program and Director's Focus: Cultivating and Renewing Investors' Faith in Your Company and Handling Shareholder Activism	Hong Kong Institute of Directors
	● Seminar on One Belt One Road Strategy by Mr. Thomas Chan (Head of China Business Centre of the Hong Kong Polytechnic University)	Pico Far East Holding Ltd.
Mr. Silchai Kiatpapan	<ul style="list-style-type: none"> ● Director Accreditation Program (DAP 7/2004) ● Director Certification Program (DCP 48/2004) ● Finance for Non - Finance Directors (FND 9/2004) 	Thai Institute of Directors Association
Mr. Yong Choon Kong *	<ul style="list-style-type: none"> ● Directors Accreditation Program: Evaluation of a Company from the Perspective of Fund Managers ● Cyber Security and Understanding Cyber Risks 	Hong Kong Institute of Directors
Ms. Chia Yuan Jiun	● Cyber Security and Cyber Risks Program and Director's Focus: Cultivating and Renewing Investors' Faith in Your Company and Handling Shareholder Activism	Hong Kong Institute of Directors
	● Seminar on One Belt One Road Strategy with Mr. Thomas Chan (Head of China Business Centre of the Hong Kong Polytechnic University)	Pico Far East Holding Ltd.
Mr. Chung Chee Keong *	● Role of Director II: Board Practices	Hong Kong Institute of Directors
Mr. Viriya Pholpoke **	● Director Accreditation Program (DAP 7/2004)	Thai Institute of Directors Association
Mr. Chaijit Tehasuwanarat	<ul style="list-style-type: none"> ● Company Secretary Program (CSP 31/2009) ● Effective Minute Taking (EMT 14/2009) ● Successful Formulation and Execution of Strategy (SFE 15/2012) ● How to Measure the Success of Corporate Strategy (HMS 1/2012) ● How to Develop a Risk Management Plan (HRP 1/2012) ● Corporate Governance for Executive (CGE 1/2014) 	Thai Institute of Directors Association
	● Strategic CFO in Capital Markets	The Stock Exchange of Thailand
Mr. Chaiyod Bunyagidj	<ul style="list-style-type: none"> ● Director Accreditation Program (DAP BJC/2004) ● Director Accreditation Program (DAP 7/2004) ● Audit Committee Program (ACP 3/2004) ● Finance for Non - Finance Directors (FND 10/2004) ● Improving the Quality of Financial Reporting (QFR 1/2006) ● Monitoring the System of Internal Control and Risk Management (MIR 6/2009) 	Thai Institute of Directors Association

* Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

** Mr. Viriya Pholpoke resigned as the company's director, nomination committee member and remuneration committee member with the effective date from March 5, 2019 onwards.

Directors and Management	Training Program	Organized By
Mr. Sern Vithesponse*	● Director Accreditation Program (DAP 7/2004)	Thai Institute of Directors Association
Mr. Manus Manoonchai	● Director Accreditation Program (DAP BJC/2004)	Thai Institute of Directors Association
Mr. Chokchai Vatcharanirunkul	● Director Accreditation Program (DAP 93/2011)	Thai Institute of Directors Association
Ms. Supaporn Sawangjitt	● Director Accreditation Program (DAP 93/2011)	Thai Institute of Directors Association

During the year, directors and management of the Company have attended the seminar or taken the training courses as follows :

Directors and Management	Training Program	Organized By
Mr. Chung Chee Keong	Role of Director II: Board Practices	Hong Kong Institute of Directors
Ms. Chia Yuan Jiun	Knowing the unknown - update of recent cyber-attacks	PricewaterhouseCoopers
Mr. Chaijit Tehasuwanarat	Alibaba Master CEO Executive Program	Alibaba Business School
Ms. Supaporn Sawangjitt	Alibaba Master CEO Executive Program	Alibaba Business School
Mr. Chayaphol Kalapaphongse	Digital Transformation Strategy for Senior Managements	IMC Institute
Ms. Suthira Sirakote	SavvyUX Summit 2019 - User Experience	UX Testing Inc.

Orientation for New Director

In case of having new director, the company has a policy to arrange an orientation including documents and information for better understanding in company's business and its operations. Moreover, the company encourages new directors to attend IOD training courses to assist in better fulfilling their role as a board member.

* Mr. Sern Vithesponse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

The Organizational Structure of Directors

The organizational structure of directors of the company consists of five boards as follows :

1. The Board of Directors

Qualifications of Company Directors

1. Company directors must be qualified pursuant to the requirements set forth in the Public Limited Company Act and Company's Articles of Association, and possess no prohibited characteristics set forth in the Decree of the Securities Exchange Commission.
2. Company directors must have a capacity of leadership, wide-ranging vision, and knowledge of the company's business.
3. Every company director must be able to perform his/her duty and express opinions independently, and be able to devote sufficient time to perform his/her duties.

Term of Office

Members of the board serve a period of three years.

Directors are elected by the shareholders' meeting in the annual general meeting of shareholders. At the annual general meeting of shareholders, one-third of directors shall retire by rotation. If the number of directors is not a multiple of three, the number of directors closest to one-third shall retire with the longest serving directors retiring first. A director who vacates office under this Section may be re-elected.

Apart from retirement by rotation, according to code 72 of the Public Companies Act B.E. 2535 the director can retire his/her office upon:

1. Death
2. Resignation
3. Disqualification or having legal prohibited characteristics
4. Resolution of the Shareholders' Meeting to vacate with votes of not less than three-fourth of total number of shareholders who attend the meeting and have voting rights, and counted shares of not less than half of the number of shares held by the shareholders who attend the meeting and have voting rights.
5. Order by the court to vacate

If directorship vacates the office due to the above reasons, the board of directors may select a qualified person to become a replacement. The tenure of nominated director shall be equal to the remaining tenure of the replaced director.

Scope of Duty & Authority of the Board of Directors

1. The Board of Director's Functions

The board of directors conducts the company's business by using its knowledge and experience to the fullest capability for the maximum benefits of the company. It shall conduct its role according to the company's objectives, article of association and shareholders' meeting resolutions with due care and discretion to protect the rights of and be responsible to the shareholders

2. Establishing the Company's Objectives, Business Direction & Policy

The board is in charge of setting the appropriate policy and business direction of the company except the policy or business direction, which requires shareholders' approval.

3. Appointment and Supervision of the Executive Committee

The board is empowered to appoint a committee consisting of directors as it deems appropriate to act as an executive committee to manage on its behalf. In this respect the board of directors at its meeting No. 1/2003 held on August 29, 2003 resolved to appoint an executive committee and clearly established its scope, power and duties. In addition its meeting No. 4/2017 held on September 5, 2017, the board of directors resolved to appoint additional executive committee members for more operating efficiency. The board of directors is responsible for the supervision to ensure that the executive committee effectively carries out the approved policies.

4. Reviewing top executives' development plans and overseeing to ensure the effective performance assessment of top executives on an annual basis and determining appropriate remuneration in line with the role and responsibility and the company's operating results to provide both short-term and long-term incentives.

5. Appointments and Delegation of Authority to Other Persons

The board of directors may appoint any other person to conduct the company's business under its supervision or it may delegate authority to the said person as it deems appropriate. The period of this authority delegation shall be set as the board deems appropriate and the board may rescind, remove, alter or modify such delegation. Such appointment or delegation shall fall under the following rules :

- Any appointment and authority delegation shall not be bestowed on person(s) with a vested interest or a conflict of interest.
- The appointed and delegated person(s) shall not be able to approve the transactions that they have vested interest in or potential conflict of interest with.

Appointment and delegation must be accompanied with a clear establishment of scope of authority, duty, and responsibility and must be in accordance with the resolution of the board of directors meeting attended by independent directors or members of the audit committee. In the case that such delegation of power is objected to by a member of the independent director or an audit committee member, such objection shall be clearly recorded in the minutes of the meeting.

6. Overseeing to ascertain respecting the rights of shareholders, ensuring the equitable and transparent treatment of shareholders and other stakeholders, establishing a clear process and channels for receiving and handling complaints from informants or stakeholders effectively and ensuring an opportunity for every stakeholder to contact or lodge complaints about potential issues directly to the board of directors.

7. Devoting sufficient time to perform their duties, attending all meetings of the board of directors and Shareholders' Meetings, except in unavoidable circumstances. The directors who are unable to attend a meeting must notify the chairman or the secretary to the board in advance of the meeting.

8. Monitoring and managing any potential conflicts of interest between the company, the management, the board of directors, or shareholders as well as overseeing to prevent misuse of the company's assets and the entering into inappropriate transactions with persons connected with the company.

9. Developing their knowledge and competency related to their duties consistently through courses or curricula related to directorial duties or seminars that enhance their knowledge.

Performing its duties, the board of directors may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate.

Performing its duties, the board of directors may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate.

Scope of Duty & Authority of Chairman of the Board of Directors

1. Acts as the leader of the board of directors to oversee, supervise, and monitor the operations of executive committees and other committees to make them achieve the objectives, policies, and specified plans
2. Chairs the board of directors' meetings.
 - 2.1 Conducts a board meeting according to the agenda, the company's Articles of Association, and applicable laws.
 - 2.2 Encourages and allocates sufficient time to each board member to discuss and express their free and frank opinion with due circumspection and concern for all stakeholders.
 - 2.3 Sums up the board meeting resolutions and the actions to take clearly.
3. Chairs the meetings of shareholders according to the agenda, the company's Articles of Association, and relevant laws by allocating time appropriately along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded appropriately and transparently.
4. Sets board meeting agenda in consultation with CEO and oversees to ensure board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.
5. Have a casting vote in case the board of directors' meeting has a tie vote.
6. Supports and be a role model in compliance with the principles of good corporate governance and the company's code of conduct.
7. Fosters a positive working relationship between the board of directors and the management and supports the performance of the duties of CEO and the management in accordance with the company's policy.
8. Oversees to ensure the transparent disclosure of information and management in the event of conflicts of interest.
9. Oversees to ensure the board of directors has appropriate structure and composition.
10. Oversees that the board of directors as a whole, sub-committees and each individual director perform their duties effectively and efficiently.

The Board of Directors' Authorization

The board of directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the company's Articles of Association, the Board of Directors charter, and the shareholders' meeting resolutions. Such matters include defining and reviewing corporate vision, mission, operating strategies, operating plans, risk management policy, annual budget and business plans, and medium-range business plan. Added to this is the defining of the target operating results, following up and assessing the operating results to ensure they are consistent with the plan, and overseeing capital expenditure, material connected transactions, merger and acquisition, corporate spin-off, and joint venture deals.

2. The Executive Committee

Qualifications of Executive Committee Member

1. Must be qualified pursuant to the requirements set forth in the Public Limited Company Act and Company's Articles of Association, and possess no prohibited characteristics set forth in the Decree of the Securities Exchange Commission.
2. Must be knowledgeable, capable and experienced in the business operation of the Company
3. Must have a capacity of leadership, wide-ranging vision, and knowledge of the company's business.
4. Must possess honesty, business ethics, and full dedication of time to perform at work

Term of Office

Members of the Executive Committee who also serve as the board of director members serve a period as long as they are serving on the Board of Directors.

The executive director can retire his/her office upon:

1. Death
2. Resignation
3. Being disqualified as the executive committee
4. Removal from office by resolution of the Board of Directors.

Scope of Duty & Authority of the Executive Committee

1. To propose the followings for the approval by the board of directors :
 - Business objectives and direction
 - Business strategy and policy
 - Annual business plan and budget
 - Organizational structure and management structure including details on selection, training, recruitment and termination of employees
2. Supervision and overseeing that the company's business operation follows the board's approved business strategy, policy and plan.
3. Screening of business contractual obligations of the company, acquisition of assets or rights to be used in the company operation. This includes setting up the guideline and negotiating processes to engage such contracts.
4. Considering the engagement into financial, loan and guarantee contract by the company.
5. Acting on contract amendment and termination in accordance with the executive committee's discretion.
6. To consider the profit and loss account of the company and the proposal of an interim or annual dividend payment to the board of directors or shareholders' meeting, as the case may be, for approval.
7. To engage in any other action in order to support the above or as may be delegated by the board of directors from time to time.

The foregoing duties and authorities of the executive committee shall be under the law and the company's bylaws.

Scope of Duty & Authority of Chief Executive Officer

1. Act as the leader of the executive committee by supervising, guiding, and evaluating the performance of the management.
2. Call the executive committee meeting as appropriate.
3. Consider the transactions or proposals prior to submitting to the board of directors for approval
4. To ensure that the company's business operation is in line with the policies issued by the board of directors or the executive committee, and to provide performance updates to both committees.
5. To review the annual budget prepared by the management prior to submitting to the executive committee and the board of directors for approval as well as to control the spending of each business unit.
6. To determine the conditions of employment of staff and employees, issue the orders or announcements related to the company's administration and operation which is not against the company's regulations, the board of directors' resolution or other related laws.
7. To hire, appoint, and punish staff and discontinue employment of staff and employees, including the promotion, or salary adjustment. This excludes staff and employees who, according to the regulation or the board resolution, are employed, punished and dismissed by the board of directors.
8. To approve and control the normal operating expenses, selling and administrative expenses, capital expenditure in order to ensure the adherence to the budget approved by the board of directors or the executive committee.
9. To review all transactions relating to the company's assets and rights for which the company may use to enter binding contracts with individuals, companies or financial institutions and to submit such transactions for review and approval by the executive committee and the board of directors.
10. To review the company's financial performance and propose the interim dividend or annual dividend to the executive committee for consideration and propose to the board of directors and/or the shareholders' meeting, as the case may be, for approval.
11. To perform or execute any task or duty as assigned by the board of directors

3. The Audit Committee

Qualifications of the Audit Committee & Independent Directors

1. Must be qualified pursuant to the requirements set forth in the Public Limited Company Act and Company's Articles of Association, and possess no prohibited characteristics set forth in the Decree of the Securities Exchange Commission.
2. Holding less than 1% of the outstanding shares with voting rights of the company including parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director (including such persons described in code 258 of the Securities and Exchange Act B.E. 2535).
3. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the company, including parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than 2 years prior to the date of appointment. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the company.

4. Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the company or subsidiary company.
5. Neither having nor used to have a business relationship with the company including parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interface with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the company, parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.
6. Neither being nor used to be an auditor of the company, parent company, subsidiary company, associate company, major shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, parent company, subsidiary company, associate company, major shareholder, or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment
7. Neither being nor used to be a provider of any professional services , including those as legal advisor or financial advisor who receives service fees exceeding Baht 2 million per year from the company including parent company, subsidiary company, associate company, major shareholder, or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.
8. Not being a director appointed as representative of directors of the company, major shareholders or shareholder who is related to major shareholder.
9. Not undertaking any business in the same nature and in competition to the business of the company or subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1% of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the company or subsidiary company.
10. Not having any other characteristic which cause the inability to express independent opinions with regard to the company's business operations.
11. Independent director processing the quality as outline in 1-10 above may be assigned by the board of directors to carry on the operation of the company, parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, provided that such decision shall be in the form of collective decision.

Term of Office

Members of the Audit Committee serve a period as long as they are serving on the Board of Directors.

Members of the Audit Committee who vacate office by rotation may be re-elected.

Apart from retirement by rotation, If directorship vacancy according to code 72 of the Public Companies Act B.E. 2535, the board of directors may select a qualified person to become a replacement. The tenure of nominated director shall be equal to the remaining tenure of the replaced director.

Scope of Duty and Authority of the Audit Committee

The audit committee has the duties as delegated by the company's board of directors, as follows :

1. To review the company's financial reporting process to ensure that it is accurate and adequately disclosed by coordinating with external auditors and executives responsible for financial reports on the quarterly and annual basis;
2. To review the company's internal control system and internal audit system to ensure that they are suitable and effective;
3. To ensure that the company has duly complied with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations, and the laws relating to the company's business.
4. To consider, select and nominate an independent person to be the company's auditor, together with determining the auditor's remuneration, to propose to the annual general meeting of shareholders for approval.
5. To review the connected transactions, or the transaction that may lead to conflicts of interests and ensure that they are accurately and completely disclosed.
6. To prepare and disclose the audit committee's report, signed by the chairman of the audit committee, in the company's annual report. The report must contain the followings ;
 - 1) an opinion on the accuracy, completeness and reliability of the company's financial report,
 - 2) an opinion on the adequacy of the company's internal control system,
 - 3) an opinion on the compliance with the law on securities and exchange act, the Stock Exchange of Thailand regulations, or the laws relating to the company's business,
 - 4) an opinion on the suitability of an auditor,
 - 5) an opinion on the transactions that may lead to conflicts of interests,
 - 6) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - 7) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - 8) other transactions or information which, according to the audit committee's opinion, should be communicated to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the company's board of directors;
7. To perform any other tasks as assigned by the board of directors.

Mr. Manus Manoonchai, a member of audit committee, has an appropriate knowledge and experience to be responsible for reviewing the reliability of the financial statements.

4. The Nomination Committee

Qualifications of Nomination Committee

1. Must be qualified pursuant to the requirements set forth in the Public Limited Company Act and Company's Articles of Association, and possess no prohibited characteristics set forth in the Decree of the Securities Exchange Commission.
2. Shall be company directors.
3. Shall be able to independently perform his/her duties, express opinions, report on the performance of the assigned duties, and devote sufficient time to perform his/her duties.
4. The members of Nomination Committee must be neutral in looking for and selection of persons qualified for nomination to hold the position of company directors, replacing those whose terms of office expired or for other cases, and in preparation of sufficient biographical data of such persons for the consideration of the Board of Directors.

Term of Office

Members of the Nomination Committee serve a period as long as they are serving on the Board of Directors.

Members of the Nomination Committee who vacate office by rotation may be re-elected.

Apart from retirement by rotation, If directorship vacancy according to code 72 of the Public Companies Act B.E. 2535, the board of directors may select a qualified person to become a replacement. The tenure of nominated director shall be equal to the remaining tenure of the replaced director.

Scope of Duty and Authority of the Nomination Committee

The scope of duty & authority of the nomination committee is as follows:

1. Review the appropriateness of each director's qualification in the case that there is any change related to the director's qualifications.
2. Report regularly on progress and performance results to the board of directors after every meeting of the nomination committee.
3. Determine the qualifications of any person to be nominated for directorship to align with the company's business strategies and lay down the director nomination process in the case of the replacement of the retiring director, the replacement of the resigned director and the selection of additional directors, with the consideration of the diversification in terms of skills, experience, gender and expertise relevant to the company's business.
4. Identify qualified candidates to replace directors retiring, or whatever the case may be, in consideration with the diversity of the structure of the board and propose to the board of directors and/or the Shareholders' Meeting for appointment.
5. Review and give advice to the board of directors on the structure, roles and responsibilities, and practices of the board of directors and the sub-committees. Review and give advice if there is an alteration to the charter of the board of directors and the sub-committees so that they are up-to-date.
6. Perform other duties as assigned by the board of directors.

To fulfill its duties under its scope of authority, the nomination committee is authorized to call for and order the management, head of offices or employees concerned to give opinions, attend meetings or submit necessary documents. In addition, the committee may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate, at the company's expense.

5. The Remuneration Committee

Qualifications of Remuneration Committee

1. Must be qualified pursuant to the requirements set forth in the Public Limited Company Act and Company's Articles of Association, and possess no prohibited characteristics set forth in the Decree of the Securities Exchange Commission.
2. Shall be company directors.
3. Shall have wide-ranging vision, and keep updated with changes of the company's performances for further improvement of the company's guideline on remuneration determination.
4. Shall be able to independently perform his/her duties, express opinions, report on the performance of the assigned duties, and devote sufficient time to perform his/her duties.

Term of Office

Members of the Remuneration Committee serve a period as long as they are serving on the Board of Directors.

Members of the Remuneration Committee who vacate office by rotation may be re-elected.

Apart from retirement by rotation, If directorship vacancy according to code 72 of the Public Companies Act B.E. 2535, the board of directors may select a qualified person to become a replacement. The tenure of nominated director shall be equal to the remaining tenure of the replaced director.

Scope of Duty and Authority of the Remuneration Committee

The scope of duty & authority of the remuneration committee is as follows:

1. Propose guidelines and methods for remuneration to be paid to the board of directors and the sub-committees appointed by the board of directors, including bonus and attendance fee.
2. Assess the performance of CEO on an annual basis in order to determine his/her remuneration before proposing the board of directors for approval.
3. Consider the annual budget for the salary increase, changes of wage and compensation of employees before proposing to the board of directors.
4. Review, study, and track regularly the changes and trends in remuneration for the board of directors in order to propose for the approval of the board of directors.
5. Consider the remuneration of the board of directors, as compared to the remuneration offered by other listed companies operating in the same business, to ensure that the company retains its leadership in that industry and to motivate them to foster the company's continuing development.
6. Report regularly on progress and performance results to the board of directors after every meeting of the remuneration committee.
7. Perform other duties as assigned by the board of directors.

To fulfill its duties under its scope of authority, the remuneration committee is authorized to call for and order the management, heads of offices or employees concerned to give opinions, attend meetings or submit necessary documents. In addition, the committee may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate, at the company's expense.

Selection of Directors & Management

In the selection process for directors, the chairman of the board appoints the nomination committee to assist in the consideration of persons with appropriate qualifications and no prohibited characteristics as set forth in the laws governing public companies. The key criteria include their vision, basic qualifications and extensive experience, which will be beneficial to the company. Such person must be of highest moral value and unquestioned ethics in accordance with code 68 of the Public Company Act B.E. 2535 and the relevant announcements of the SEC and the SET. The selected person is then submitted to the board for election during its meeting.

In the case that a directorship becomes vacant for reasons other than the rotational retirement the remaining directors at its subsequent meeting may elect a suitably qualified person to fulfill the vacated position. No shareholder's meeting is needed for this election. The newly-nominated director shall serve the remaining tenure of the vacated director.

In case a board seat is vacated because of a completion of term of the retiring directors as required by law where a one-third of directors must retire, candidates could be the same persons who have retired by rotation. The majority vote at the annual general meeting of shareholders is required for the appointment of such directors in accordance with the principles and procedures as follows :

1. One common share counts as one vote and 10,000 preferred shares count as one vote.
2. Each shareholder may exercise the voting rights according to the absolute number of shares held in item 1 above in favor of one or more persons as directors but may not divide the voting rights by allocating more votes to one candidate and fewer to others.
3. Candidates receiving the most number of votes in descending order are considered as directors elect to the company's minimum number of directors or the number of directors being votes for at that time. In case of a tie which results in the minimum number of directors or the number of directors being sought at the time being exceeded the chairman of the meeting shall cast the deciding vote.

Governance of the Operation of the Subsidiaries and Associated Companies

The company has set the corporate governance and management policy of the subsidiaries and associated companies which can be summarized as follows.

- The company shall nominate the representatives to be the directors of the subsidiaries to manage the business, formulate crucial policies, and control business operation of the subsidiaries in accordance with the formulated policy. The representatives to be the directors of the associated companies shall be nominated in accordance with the agreement of investment in such associated companies.
- The directors of the subsidiaries and associated companies, who are appointed by the company, must attend the meetings and vote in every board of directors' meetings of the subsidiaries and associated companies in considering material agenda of the business operations of the subsidiaries and associated companies. Such directors must exercise their discretions in voting in the board of directors' meeting of the subsidiaries and associated companies in the matter relating to general management, and ordinary course of business operation of the subsidiaries and associated companies as deemed appropriate by such directors for maximum benefit of the company, its subsidiaries and associated companies.
- In term of the subsidiaries, if the entering transaction significantly affects financial position and operating results of the subsidiaries e.g. winding-up, capital increase, capital decrease of the subsidiary, etc., the consent from the company's board of directors must be received before the director of the subsidiary can vote in such matters. Additionally, the directors of the subsidiary must ensure the compliance to the regulations of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand in the event where the subsidiaries agrees to enter into transaction with the related party of the company or its subsidiaries, or transaction relating to acquisition or disposal of the assets of its subsidiaries.

In addition, the directors of the subsidiary, who are appointed by the company, have the following duties.

- (1) Disclose the complete and proper information relating to financial position and operating results, related party transaction of the company and its subsidiaries, and acquisition or disposal of the significant assets for acknowledgement of the company within suitable deadline scheduled by the company.
- (2) Clarify and/or submit to the company the information or documents relating to the subsidiaries' operation or any documents upon request as appropriate.
- (3) Supervise and take responsibility to establish the appropriate, efficient and circumspect internal control system, risk management system and corruption prevention system of the subsidiaries to ensure that the operations of the subsidiaries are in accordance with the policies of the company, any related laws, notifications, regulations and rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand.

Inside Information Supervision

The policy on inside information supervision is described in “Equal Treatment to All Shareholders” under the section “Corporate Governance” in the company’s Annual Report.

Internal control

The company has established the adequate internal control process over the operation. This process is constantly updated and developed to accommodate the changing conditions. The regular audits are set up to ensure that rules and regulations are strictly adhered to. Such audits are performed by outside internal auditors who regularly review the operation and report directly to the chairman of the audit committee.

Auditors’ Compensation

In 2019, the company and its subsidiaries paid the fee to DIA International Audit Co., Ltd. at total amount of Baht 2,725,000.

The details of the auditors’ compensation for the year 2019 are as follow;

1. Audit fees
 - Fees for annual audit and quarterly review of the company and consolidated financial statements amounting to Baht 2,000,000.
 - Fees for the annual audit of subsidiaries in which the fees were absorbed by the subsidiaries amounting to Baht 645,000.
2. Others fee
 - Fees for financial reporting standards and accounting standards training amounted to Baht 80,000.

In this regard, DIA International Audit Co., Ltd. and its auditors do not have any relationships or interests involving the company, management, or major shareholders, including their related persons.

Implementation of Corporate Governance Code for Listed Companies 2017

The company realizes on the significance of good corporate governance that it is crucial for contributing to promotion of the company’s efficient operation and sustainable growth, leading to maximum benefit of all related parties from staffs, investors, shareholders and other stakeholders. The company has applied the practice guidelines outlined in Corporate Governance Code for Listed Companies 2017 (the CG Code) developed by the Securities and Exchange Commission (SEC) into the company’s business governance as reported in Annual Registration Statement (F56-1) and Annual Report for the year 2019.

Good Corporate Governance Practices in Other

Fair Business Conduct

The company believes in and always promotes fair business conducts and ethical standards, with its goals in providing services that are valuable to clients’ businesses while at the same time socially beneficial.

With this in mind, the company gives highest priority to ensure the protection of intellectual property and takes extra care in our operations.

Responsibilities towards Customers

Evident from being one of the first receivers of ISO 9001: 2015 on Project Management for Event Marketing, Exhibition, Museum and Special Project, the services provided by PICO are clearly up to a very high international standard.

Clearly, the certification acts as a proof of our professional services with good workplace health and safety, efficient working process, systematic data collection, and punctual delivery of projects.

Respecting Human Rights

PICO (Thailand) actively promotes respect for human rights and is committed to complying with all applicable laws and regulations. Also, the company is strongly against any workplace discrimination. In the recruitment process, the company is also committed to the principles of equality and non-discrimination, which guarantees that every person is treated by the company with equal treatment and not subject to any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin.

Employee Welfare and Fair Treatment at Work

Truly, the company believes that quality work only comes from quality staff, as reflected in the quality policy “Quality Life, Quality Work”. As a result, PICO (Thailand) regards very highly of employee rights, compensations, and benefits, as well as a fair treatment at work.

Anti-Corruption Policy

The company realizes on the significance of transparent and moral business operation. Therefore the rigorous precautions on working processes are laid down to prevent corruption at work and the Anti-Corruption Policy is established as a practical guidance for the directors, executives, staffs and employees of the company. In addition, the honesty at work is continuously communicated to the employees. The company’s desirable employee must be committed to 3 key characteristics as follows:

1. **Accountability**, meaning that each employee shall be responsible, trustworthy and can be able to account for his or her own actions.
2. **Integrity**, meaning that each employee shall be honest, practice transparency at work, and not support any wrong-doing or corruption.
3. **Dignity**, meaning that each employee shall have self-respect and shall treat others with the same respect and dignity.

To ensure that all employee realize the importance of this policy and strict to it, the company communicates the policy through the orientation session for all new staff and also regularly communicates it to all employee. Additionally, the policy is included in the company’s rules and regulations and employee manual.

The company’s Anti-Corruption Policy is as follows.

1. The director, executive, staff and employee of the company shall not perform any act having behavior or participating in any manner that indicates as giving or receiving bribe to the stakeholders in the matter under both his/her direct or indirect duty and responsibility for acquisition of wrongful interest, or demanding or receiving any interest from business partner or the person who deals the business with the company.
2. Use of money or assets of the company for charitable donation or provision of subsidy shall be performed in the name of the company only. Charitable donation or provision of subsidy shall be carried out with verifiable evidence and complying with the rule of the company.
3. Regularly implement efficient and appropriate internal control and risk management system for corruption prevention, and review and assess operating risks that may cause corruption at least once a year.
4. Establish mechanism of transparent and proper financial reporting under international accepted accounting standards.
5. Establish human resource management process reflecting commitment toward anti-corruption measure.
6. Arrange communication channel for employees and all stakeholders to perform whistle-blowing, providing suggestion and complaint relating to corruption, under whistleblower protection measure.
7. Any act that violates or breaches this policy either directly or indirectly shall be disciplinarily considered in accordance with rule prescribed by the company, or legally punished.

Corporate Social Responsibility

“What is good to the community is good to the business ” The Business Philosophy of Pico (Thailand) Public Co., Ltd.

For the past 12 years, the mission of Pico (Thailand) has always been to enhance the quality of education, community, society, and environment along with the business growth in accordance with the company’s business principle “What is good to the community is good to the business.”

The company engages in a wide range of activities related to sustainable development, especially in the field of education, which has been ongoing for more than a decade, with the Education Communication department being a significant driving force. The department’s primary mission is to enhance the quality of education through teacher professional development based on knowledge and systematic research, continuous operational strategies, and network building at all levels for sustainable development.

Besides, the company also addresses environmental management and social supports in strengthening the community’s economic resilience by establishing primary and secondary strategies for creating shared values for the society, with the primary strategy focusing on enhancing the quality of education through sustainable teacher professional development and the secondary strategy focusing on social supports in environmental management and social supports.



Strategy for Sustainably Creating Shared Values



For 12 years, Pico (Thailand) has combined visions of all stakeholders, changing the paradigm in enhancing the quality of education through teacher professional development based on knowledge and systematical research



Primary Strategy: Enhance the Quality of Education Through Sustainable Teacher Professional Development

For the past 12 years, Pico (Thailand) has been committed to social responsibility by bringing its expertise in communication, both face-to-face communication and digital media communication, to integrate with education, which has culminated in a business strategy called “Education Communication.” The strategy involves the creation of products and services that are education communication platforms such as EDUCA, Teachers as Learners, to communicate and disseminate knowledge necessary for enhancing the quality of education through teacher professional development to the point that it can exert substantial impact on several ways, including 1) Professionalism and Public Perception-that is, to encourage people to value teachers and teaching profession, as well as to raise awareness among all sectors to support learning and self-development of teachers; 2) Personal Professional Development- that is, to encourage each teacher to improve his/her teaching, which directly affects student learning; 3) Professional Learning Community- that is, to cultivate collaborative learning among the staff of all levels in the school; and 4) Education Development Network-that is, to establish collaborative networks not only at the education personnel, school, university level, but also among education-related agencies, both public and private alike, to collaboratively work in systematically and continuously developing the sustainable teaching profession as well as the quality of education and society based on knowledge and research conducted using core-oriented approach-that is, to learn the core elements so as not to have to rethink things that have already been invented-which allows for strengthening professional teaching communities, creating education networks driven by the same vision, and, ultimately, systematically and sustainably developing the country’s education.



Secondary Strategy: Engage in Environmental Management, Supporting the Society and Economy at the Community Level

The secondary strategy consists of two parts as follows: 1) Environmental Management, within the framework of which operate three projects, which are 3R project, Pico Global Care in Action project, and Run Together Joy Together charity run project, with the aim of giving the company’s employees as well as their networks the opportunity to participate in the activities related to environmental management, promoting knowledge in the field, and cultivating awareness of environmental conservation, and 2) Social and Economic Enhancement, within the framework of which operate two projects, which are San Rak Calendar project and Pico Family Canteen project, the community restaurant “sharing a happiness space”, with the aim of providing the people in the community with space to operate restaurant businesses and alleviating the problems that affect their quality of life so that they can concretely support themselves.



2019 PERFORMANCES

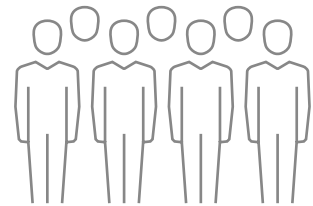
Primary Strategy : Enhance the Quality of Education Through Sustainable Teacher Professional Development

Prerequisite to a sustainable society and business is the human and education quality development based on knowledge and understanding of systemic relationships gained through research strategically and continuously conducted using a core-oriented approach - that is, to learn the core elements so as not to have to rethink things that have already been invented. With this in mind, over the past decade, Pico (Thailand) has been operating activities related to Education Communication (EC), which involves the creation of products and services that are education communication platforms, with the aim of communicating and disseminating knowledge necessary for enhancing the quality of education through teacher professional development and reforming schools for target groups to the point that it exerts impact on several ways, including 1) Professionalism and Public Perception ; 2) Personal Professional Development; 3) Professional Learning Community; and 4) Education Development Network.

12 YEARS

Creating Shared Values
for Sustainable Society

The Outcomes of Creating
Shared Value Strategy Execution



More than

2,000,000

students benefited from the impact of EDUCA,
which aims to enhance more than one third of
the teachers in the country.



Enhanced teachers
more than

223,000

teachers



More than

9,500

schools

participated in EDUCA, which
accounts for one third of the
schools in Thailand



Leading Lecturers, both Thai
and overseas, more than

2,000

lecturers

disseminated knowledge
to teachers nationwide



More than

200

institutes

Educational institutions as
well as the public and private
sectors participated in teacher
professional development and
education quality improvement.

In this regard, to succeed in enhancing the quality of education as a whole and sustainably improving the quality of youth development, all the operations encompass the development of stakeholders of all levels, including 1) school level (teachers and principals), 2) teacher education institution level (academic teachers and researchers), and 3) national level (government agencies related to education management, top executives, and education supervisors), which are closely intertwined with each other. In 2019, the company, therefore, operates projects that address the three target groups/levels as follows:

1.1 School and Community Level “Reform From The Classroom”

School as Learning Community (SLC), a prototype for classroom reform with due respect to the rights and freedom of all students developed to minimize educational inequality and promote meaningful learning

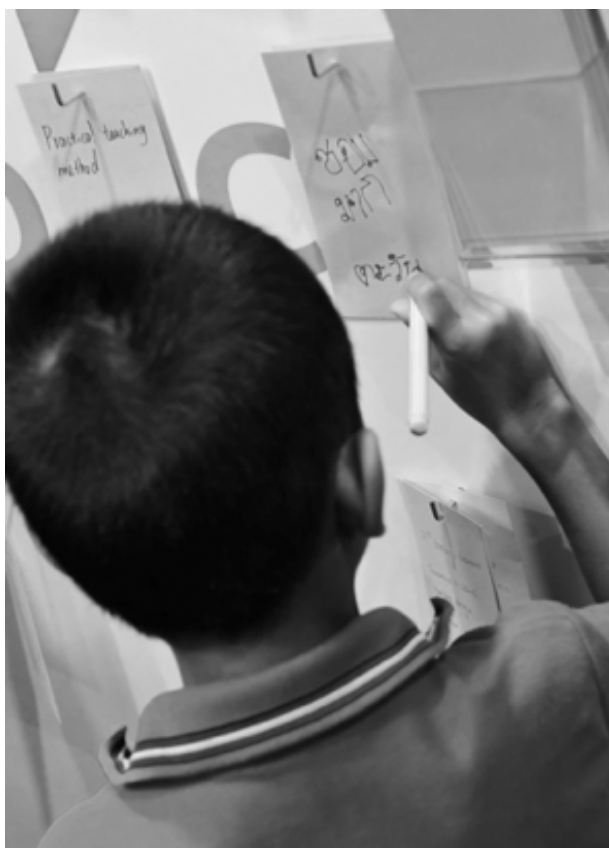
For more than six years, EC department has paid attention and made a considerable effort to get a profound understanding about the concept of School as Learning Community (SLC), a prototype for classroom reform with due respect to the rights and freedom of all students developed to minimize educational inequality and promote meaningful learning, which has been adopted in many schools in Asia. Due to certain obvious changes brought about by the adoption, the company has been disseminating the concept and practice to teachers, principals, educators, and communities, which encompasses all stakeholders in the development and reforming process, and encouraging to implement such concept, starting from the classroom.

In this year, the company joined hands with three foreign experts in the concept of SLC, namely Prof. Dr. Manabu Sato, Dr. Eisuke Saito, and Masaaki Sato, as well as teacher education institution (The Faculty of Education, Chulalongkorn University) and SLC pilot schools within the framework of Thailand Principal Forum (TPF) in organizing 1) five school visits, in which the team observed five times in four pilot schools in Bangkok, and 2) four SLC Symposiums, in which the participants were

provided with a platform for knowledge exchange and enabled to develop thinking skills, observe the students' behavior, and integrate the vision of reform with that of parents, communities, and society, for teachers, principals, educators, lecturers from the Faculty of Education, Chulalongkorn University, as well as local representatives and communities.

More importantly, last year the company was selected by the International Platform for School as Learning Community (SLC) to host the 7th SLC International Conference in EDUCA 2019.

Besides, the company published a total of 5,000 second-edition copies of its book on the concept of SLC under the project Books for Teachers: the Life-long Learning Exemplars to disseminate the concept and practice, and supporting two lecturers from the Faculty of Education, Chulalongkorn University, organized a series of school visits, in which they visited SLC pilot schools, exchanged knowledge and experience, and established collaborations with experts in the concept of SLC, during 4th till 8th December 2018 in Tokyo, Japan.



For the past year, there were more than 800 people participating in the activity and different contents that had been published online to disseminate knowledge and experience of observing SLC pilot classrooms to the target audience with the aim of jointly promoting the dissemination of the concept of education reform that started from the classroom; as well as SLC pilot schools established. Suffice it to say, all the activities brought about the collaboration among stakeholders of all levels, including classrooms, schools, parents, local communities, and national institutions, both local and abroad, which culminated in the establishment of SLC network and, albeit indirectly, the communication through news and articles to the general public.

Thailand Principal Forum (TPF), a network of school principals with a common intention to reform teaching and learning in the school

According to the research results and academic documents, it was found that the principals with instructional leadership and focusing on the students' learning are likely to bring about changes within the school. The company, therefore, attaches great importance to such target, one of the stakeholders who can make changes in the development of education as a whole, and annually organizes the Principal Forum in EDUCA, so that it has become a starting point to expand from master principals to a network of leaders (Thailand Principal Forum; TPF), a group of school principals with a common intention to reform a school with volunteer spirit who would jointly brainstorm to find ways to develop themselves, teachers, and schools. The network is led by Assoc. Prof. Ladda Pukiat, Director of Satit Pattana School, Assoc. Prof. Dr. Pimpan Dachakupt, expert in curriculum and teaching, and science education from the Faculty of Education, Chulalongkorn University, and Assoc. Prof. Dr. Siripaarn Suwanmonkha, special lecturer from the Faculty of Education, Chulalongkorn University. The company has been supporting the secretary members and continuously facilitate the activities of the network of leaders. Since its establishment, there have been 188 members of the network from 38 schools. Since 2015, the meeting of the network has been conducted in the form of academic meetings, which are open for discussion and knowledge exchange, as well as school visits to the member's school, in which the network has

also introduced the SLC concepts to the pilot schools of the network members.

Last year, the following important activities were carried out:

- Supporting two members of the Thailand Principal Forum, Assoc. Prof. Ladda Pukiat and Assoc. Prof. Dr. Pimpan Dachakupt, the Chairman and Advisor of the network respectively, to attend the World Association of Lesson Study 2018 in Beijing, China between 22nd November - 1st December 2018;
- Supporting two Thai academic experts in the education of the Thailand Principal Forum, Assoc. Prof. Ladda Pukiat and Assoc. Prof. Dr. Pimpan Dachakupt, the Chairman and Advisor of the network respectively, to attend the World Association of Lesson Study 2019 in Amsterdam, the Netherlands, during 2nd - 6th September 2019;
- Supporting Dr. Nipaporn Kunlasomboon, the company's education specialist, to attend the 10th Global Educational Leadership Conference in Singapore between 27th - 28th March 2019 with the aim of building a network of principals in foreign countries, bringing the global knowledge, and transferring it to Thailand Principal Forum;

The Chairman, Advisor and members of Thailand Principal Forum have received knowledge about education reform in accordance with SLC guidelines and developed the leadership potential, and been driving changes within the country and at the international arena. The network members have also been enabled to present their research results at the national and international levels, which consequently has culminated in the continuous development of ideas and knowledge. Besides, the network has been continuously bringing the lessons learned from participating in international conferences and transferring the global knowledge and experience to teachers nationwide through a wide range of workshops in EDUCA 2019, and there has also been an extension of the school community network in the same provinces and nearby areas, which has strengthened the network and built up level of confidence among teachers and principals who are change agents and intellectual leaders in the society.

1.2 Teacher Education Institution Level “Research for Sustainable Development”

The Faculties of Education are another network to which the company has always been giving priority as its personnel is think tanks driving the development of the national education. These faculties are expected to continuously develop 1) modern world-class knowledge, 2) research potential that allows them to create a social impact in education from both policy and practice perspectives, and 3) communication skills that allow them to connect with networks at the school, community, national, and international levels.

In the previous year, the company actively supported personnel self-development in the faculties as “the teacher of teachers” by supporting four teacher educators from the country’s leading educational institutions to attend three international education seminars in Japan and Singapore as follows:

- Supporting four teacher educators, namely Assoc. Prof. Dr. Chatree Faikhamta, lecturer from the Faculty of Education Kasetsart University, Asst. Prof. Athapol Anantaworasakul, Dr. Jarintorn Wintachai, and Asst. Prof. Jutarat Vibulphol, lecturers from the Faculty of Education, Chulalongkorn University, to attend the World Education Research Association (WERA2019) in Tokyo, Japan between 5th - 8th August 2019, with the aim of driving the development of education research work and pushing forward the Thai Education Reform Network;
- Supporting Asst. Prof. Dr. Jutarat Vibulphol, lecturer from the Faculty of Education, Chulalongkorn University, to attend the 4th Asia-Pacific Educational Assessment Conference by Academy of Principals Singapore (APS) in Singapore between 11th - 13th September 2019;
- Supporting ten teacher educators from Chulalongkorn University to join hands with The 7th International Platform for School as Learning Community (SLC) to organize school visits as well as the 7th SLC International Conference in EDUCA 2019, with the aim of establishing a network with over 50 SLC teacher educators and researchers who had adopted the concept of SLC as a guideline for education reform in different countries across the world, including England, Japan, South Korea, Taiwan, China, Mexico, Singapore, Indonesia, and Vietnam.

Participation in various international academic conferences has culminated in the aggregation of faculty members and their self-development, as well as the establishment of a network with world-class experts in research and education reform in accordance with SLC guidelines. The faculty members have brought back global knowledge and transferred it through academic activities and social media such as EDUCA platforms and Facebook fanpage “Thai Teacher Education for Educational Transformation”. This is also continued through activities such as school visit, which aims to develop skills and perspectives on teaching and learning, as well as establish good relationships with schools and local communities.

Besides, there has also been an extension of cooperation in education research with international experts, which has expanded the knowledge of teachers, students, as well as faculty networks and in-service teachers, enabling them to present their ideas to policy-making authorities, both directly and indirectly. This is considered building capacity to elevate the role and leadership potential of teacher educators in terms of research to become a change agent who can guide the country’s education policy development and enhance the quality of education and society at the national level.



2019 HIGHLIGHTS

+13%

More teachers and educators participating in EDUCA than in the previous year

+24%

More people following the contents on the EDUCA Facebook fanpage than in the previous year

400

Contents related to teacher professional development and student learning published through EDUCA online media

240

Video clips on professional development for teachers, principals, and educators published through EDUCA x Teacher as Learner online media

5,000

Copies of books on SLC published under the project Books for Teachers: the Life-long Learning Exemplars with the aim of disseminating school reform ideas to Thai teachers



200,000+ Viewers



61,000+ Followers



4,100+ Followers

1.3 National Level “EDUCA as Teacher Professional Development Platform”

EDUCA 2019 teacher professional development platform that allows harnessing the power of learning communities for a sustainable social development

In 2019, the 12th Annual Congress for Teacher Professional Development or EDUCA 2019 was organized under the theme “the Power of Learning Communities”, which opened up space for the country’s teacher professional development by organizing annual activities and using digital media for communications with all stakeholders, including teachers, principals, educators from teacher education institutions from all over the country, as well as district and local administrators, policy-makers, and education personnel of relevant departments. EDUCA 2019 drew a collaboration among 20 organizations from both public and private sectors in hosting the event with the participation of over 300 leading speakers, both from Thailand and overseas, within the framework of which was organized the 7th SLC International Conference. The public sector includes the Faculty of Education, Chulalongkorn University; the Faculty of Education, Khon Kaen University; Institute for Research and Development in Teaching Profession for ASEAN, Khon Kaen University; the Faculty of Learning Sciences and Education, Thammasat University; the Office of the Education Council and the Secretariat Office of the Teachers Council of Thailand, the Ministry of Education; the Digital Economy Promotion Agency; the National Innovation Agency of Thailand; the National Science Museum of Thailand; and the Thai Association of Science and Technology Education. As for the international agencies or private sector, the event was also supported by the Embassy of New Zealand; the Embassy of the Republic of Korea, and other related agencies who have collaborated by hosting the international conference, the principal forum, educational innovation exhibition, as well as the small group seminars and workshops dedicated to over 170 topics, which were organized between 16th - 18th October 2019. The activities aimed to convey the global success stories and provide a platform for discussion and exchange of knowledge related to teacher professional development and school reform in accordance with SLC guidelines for teachers, principals, educators, researchers, policy-makers, as well as partners in the business sector who wanted to build a foundation for sustainable human, society, and business development.

SLC International Conference right within EDUCA 2019

2019 has been a great year for EDUCA as it was selected by the International Platform for School as Learning Community (SLC) to host the 7th SLC International Conference in EDUCA 2019 between 15th - 17th October 2019, with over 50 international members participating in the activities organized within its framework, including SLC pilot school visits throughout Thailand and international conferences hosted by speakers with expertise in SLC from different countries across the world, including England, Japan, South Korea, Taiwan, China, Mexico, Singapore, Indonesia, and Vietnam, which focused on the pursuit of collaboration within the classroom and the staffroom

There were 25,680 teachers and educators nationwide participating in EDUCA 2019 (an increase of 13% from the previous year), and there were an increase of 24% and 77% from the previous year in the number of people following the educational contents on the EDUCA Facebook Fanpage and Line Official respectively. Besides, for the past year, there have been over 200,000 viewers of the educational contents and video clips on the EDUCA social media, and over 1,000 copies of the company's book on the concept of SLC published within the framework of Books for Teachers: the Life-long Learning Exemplars, which has culminated in EDUCA becoming a platform for sharing and developing professional and capacity development of teachers, executives, students, and academic researchers, enabling them to develop themselves as a model of lifelong learning and an intellectual leader of society to be self-reliant and develop the nation toward a sustainable future.

Education Communication: pass on international research works to bring about sustainable changes in education policies

The company has always been working on establishing beneficial collaborations with national-level education partners responsible for determining policy direction for education reform and research, with Education Communication (EC) department being the representative that carries out a series of tasks, from conducting academic research to extending the global research networks to the country.

For the past year, the company has encouraged personnel with expertise in the field of education to become members of the working team for various education agencies to promote collaborative exchange of secondary data, transferring the global knowledge in the field of education systems research and development, teacher professional development, as well as lessons from international education research with the aim of supporting the education development policy-making agencies of many sectors as follows:

- Encouraging Dr. Nipaporn Kunlasomboon, the company's education specialist, to be a member of Education Council Sub-committee on Education Research, Office of the Council of Education, responsible for providing advice or recommendations regarding education research, comprehensive and diverse concepts or views to push forward and translate education policies, plans, and strategies into practice. The subcommittee has conducted a total of nine meetings throughout the year;
- Supporting Dr. Nipaporn Kunlasomboon, the company's education specialist, to attend an academic meeting organized by the Ministry of Higher Education, Science, Research and Innovation (TISTR) on 18th July 2019 in Bangkok with the aim of introducing new approaches to developing science, research, and innovation to experts and partners, and reviewing the draft development plan on science, research, and innovation for 2020 - 2022 in accordance with the current situation.

At the meeting, the representative of the company participated in the exchange of knowledge and information useful for preparing the draft development plan, as well as providing the support for its implementation to ensure that the plan would be practical for developing human and knowledge institution, building competitiveness, and elevating the quality of life in accordance with the goals set by the Ministry of Higher Education, Science, Research and Innovation (TISTR);

- Supporting Dr. Nipaporn Kunlasomboon, the company's education specialist, to host an academic discussion titled "the EDUC SU Forum: Reimaging Teacher Education" on the occasion of the establishment day of the Faculty of Education at the Faculty of Education, Silpakorn University, Nakhon Pathom, on 18th June 2019.
- Supporting Dr. Nipaporn Kunlasomboon, the company's education specialist, to be a guest speaker on "School as Learning Community: from Educational Philosophy to Active Learning Classroom" within the framework of the Faculty of Education Personnel Seminar of the School Year 2019 at the Faculty of Education, Burapha University, Chonburi, on 25th June 2019.
- Encouraging Mr. Viriya Pholpoke and Dr. Nipaporn Kunlasomboon to be a consultant to the Foundation for Promotion of Gifted Children and a secretary respectively, and supporting the secretariat of the company in disseminating knowledge about the development and promoting of gifted children, as well as creating an academic network with special education agencies in both the public and private sectors. Throughout the year, the company, as a committee and secretary, has attended the meeting for 5 times (a meeting is held every two months), while the foundation along with three agencies has participated as co-hosts in organizing workshop activities and exhibitions at EDUCA 2019 in which special education promotion activities received quite a high attention from teachers, education personnel, and others.

Secondary Strategy: Engage in Environmental Management and Supporting the Society and Economy at the Community Level

2.1 Environmental Management

3R Project

Not only has the company adopted the environmental policy of Pico Group (Pico Eco) and adapted it to the environment appropriately, but it also has encouraged its employees to be more conscious and participate in a collaborative environmental management with its operations and daily activities to initiate a sustainable development. The policy emphasizes on 3R concept which refers to Reduce - reducing the use of resources, Reuse - reusing resources, and Recycle - processing resources for recycling. The 3R measures used in the operation of the company are as follows:

REDUCE: Reducing The Use of Resources

- "Think before You Print" project campaigning to reduce paper usage by reducing the amount of printing and encouraging the company's employees to send messages through email with the Pico Eco logo along with the message "Think before You Print" in their e-signature. Besides, to support the project, the company has added the printer password function which requires the employees to enter their personal identification number before printing, which can consequently reduce the amount of paper and ink from a lot of unintentional printings.
- Campaigning to carry out paperless delivery by encouraging the employees to deliver reports/works to customers on CDs (Soft File) to reduce paper usage and other resources. There have already been reports/works delivered to certain major customers in this manner.
- Campaigning to conserve energy in the office by raising energy-saving awareness among the employees.
- Campaigning to reduce waste and conserve water by giving discounts on drinks to those employees who bring their own container or glass, which enables the company to reduce the amount of waste from paper glass in the office.

REUSE: Reusing Resources

- Emphasizing on the use of structures, materials, equipment, and tools in creating works that customers can reuse; for example, Pico Dome that helps in reducing transportation costs and construction time, as well as the amount of waste generated from construction and demolition activities. Besides, the company also attaches great importance to providing customer suggestions and recommendations on the use of structures and decorative accessories that can be reused to reduce costs for both the company and the customers.
- “Give Me a Second Chance” project campaigning to use the second side of the paper by encouraging the employees to reuse one-sided used paper or print on the second side of the paper to reduce the amount of paper and garbage in the office, which, consequently, enables the company to decrease its paper usage.

RECYCLE: Processing Resources for Recycling

Recently, the company has encouraged the separation of waste into three main categories, namely;

- 1) waste that can be recycled such as glass bottle, plastic, paper box, and shredded paper;
- 2) two-sided used paper with no company's confidential information; and
- 3) General waste.

The company resells waste falling within the first category to waste contractors for it to be further processed while collecting waste falling within the second category to deliver to related organizations for it to be further processed and used for various purposes such as making books for the visually impaired and etc. As for waste falling within the third category, the company disposes of it according to the normal procedure.

PICO GLOBAL CARE IN ACTION Project

Under the environmental management policy of Pico Group and its various branches around the world, Pico (Thailand) and its affiliates have been adopting the policy by creating an energy conservation campaign “Global Care in Action” where their employees are encouraged to turn off the lights during the lunchtime, incorporating it into their daily routine, which results in over 480 hours of energy saved last year.

RUN TOGETHER, JOY TOGETHER Charity Run Project

Being well aware of the seriousness of environmental and forest issues, Pico (Thailand) and its affiliates jointly organized “Pico Sports Day: Forest Conservation Charity Run” at Suan Luang Rama IX Park on 8th February 2019 to raise funds for the Seub Nakhasathien Foundation to promote environmental and forest conservation while promoting the employee's good health and strengthening relationships between employees, business partners, and environmental agencies, which lived up to the company's commitment to enhancing community, society, and environment along with the business growth.

There were over 200 employees from the company as well as its affiliates and partner companies participating in the activity and a handsome sum of 500,000 baht raised for the Seub Nakhasathien Foundation to be used in environmental and forest conservation activities.

2.2 Support the Society and Economy at the Community Level

SAN RAK Calendar Project

The San Rak Calendar Project is the activity that was conceived to collect used calendars from the company's employees or partners or those who do not use them anymore and donate to the Educational Technology Center for the Blind with an aim to promoting employee participation in creating and helping society as the paper on which the calendars are printed will be used as a raw material for Braille products for the visually impaired. For the past year, there have been a total of 200 calendars gathered and delivered to the Educational Technology Center for the Blind.

PICO FAMILY CANTEEN Project

The company recognizes the importance of helping the community and promoting the surrounding community economy. The company has, therefore, allocated space for people in the community to operate restaurant businesses and generate income within the framework of Pico Family Canteen project aiming to sharing and creating happiness for people in the surrounding communities as well as its employees, and strengthening relationships between the surrounding communities, employees, and the company itself. Besides, the company also supports and gives restaurants and beverage shops advice on how to successfully run the business, control food and beverage quality, and create new dishes.

“Sustainably Creating
Shared Values”

In the past year, Pico (Thailand) is proud to see changes and a better quality of life in communities, society, and the environment. The company is more than delighted to be involved in not only activities related to education aiming to improve the quality of the national education, raise the quality of life and knowledge of change agents (teachers, principals, and teacher educators), and create a strong educational network that helps in systematically elevating the country’s quality of education, but also activities related to environmental management with excellent participation of the company’s employees and related parties as well as activities related to community society and economy promotion aiming to promote the community where the company is situated to be strong and self-reliant in a sustainable way. All of these projects are in accordance with the business vision and sustainable development guidelines, starting from the quality of people, which reflects the company’s business philosophy that aims to create shared values for society – that is, “What is good to the community is good to the business”.

Internal Control & Risk Management

The board of directors has appointed an audit committee consisting of three independent directors, none of whom holds any position in the company.

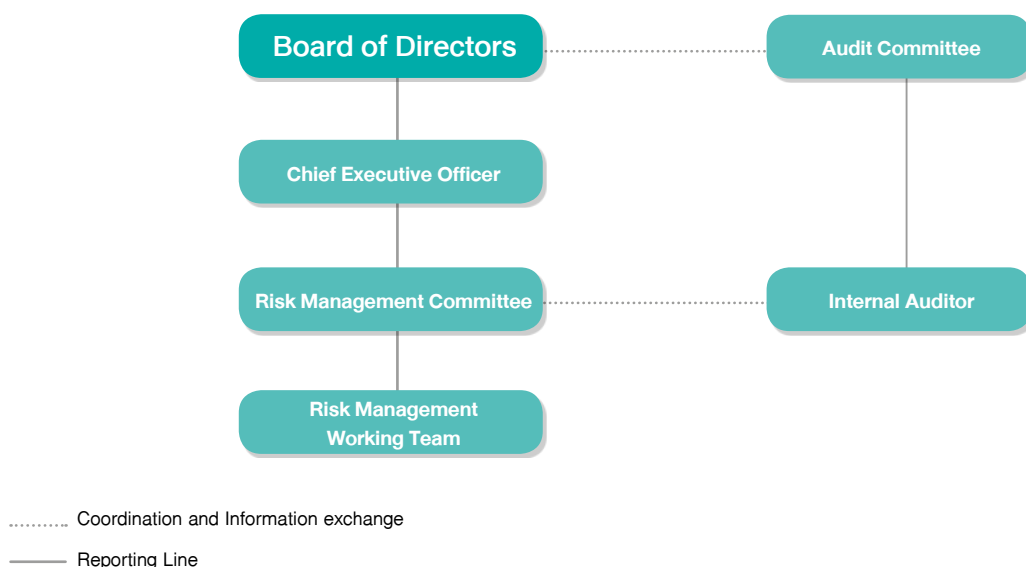
The audit committee is responsible for the oversight of the financial report preparation for accuracy, adequate disclosure, compliance to the governing rules and regulations and effective internal control process. The company has engaged Ms. Somjai Sae-Tang as a consultant to supervise the internal audit process with a report done on a quarterly basis. Please see details under “Appendix 3: Details on Internal Audit Manager”. The appointment and dismissal of such position must be approved by audit committee.

In 2019, the consultant quarterly meets with the audit committee to review the audit results and the adequacy of the internal control process. The audit committee, external auditor, and management jointly considered such audit results and internal control system. After that, the audit committee considered such audit results together with the board of directors on the quarterly basis. The boards of directors and audit committee have agreed that the internal control system of the company and subsidiaries is efficient and appropriate to the nature of business without errors of the internal control system which would have significant impact on the accuracy and reliability of the financial statements including the company’s goals.

Additionally, the Company’s independent auditor, D I A International Co., Ltd., has audited the financial statements of the company for the year ended October 31, 2019 in order to give the opinion that the financial statements of the company is prepared and fairly presented in accordance with Thai Financial Reporting Standards. They have performed the understanding and the assessment of internal control related to the audit in order to design the appropriate auditing program. In this regard, there is no observation of any significant deficiencies in internal control affecting their opinion on the financial statements as at October 31, 2019.

In addition, with the purpose of enhancing the enterprise risk management of the company and subsidiaries and in compliance with the corporate governance practice of listed companies, the company thus appointed the Risk Management Committee to oversee and support the enterprise risk management program, which is the significant component to support the company to achieve its objectives.

Risk Management Structure



Risk Management Committee

Risk management committee comprises chief executive officer and senior members leading the key operating units and business-enabling functions. Chief executive officer is the chairman of the committee.

Duties and responsibilities of risk management committee are as follows:

1. To define the company's risk management policy and framework.
2. To regulate and support risk management process to be in line with strategy and business goal including the changing circumstance.
3. To provide recommendations, monitor, and evaluate risk management process to the risk management working team for further implementation.
4. To review the risk management's report and provide suggestions on the potential risks, including specification on control measure or mitigation plan as well as development of risk management system to top management level to ensure efficient continuity.
5. To consider and review on the long-term commitments along with a potential of businesses complication and risk of the company and stakeholder before proposing such agendas to the board of directors and regularly report the results of risk management to the board of directors. In case where there are factors or events that might have significant impact on the company, the board of directors shall be immediately notified.
6. To perform any other tasks assigned by the board of directors.

Intercompany Transactions

Various intercompany transactions were conducted and recorded during the year. Merchandise costs and services charges involved in transactions with subsidiaries and associated companies or entities that may be deemed as having conflict of interest are recorded at market price with the transactions conducted under prevailing terms and conditions of the trade.

Regulation & Approval Process for Intercompany Transactions

The audit committee has oversight of intercompany transactions and review all such transactions deemed to be potentially conflict of interest. The board of directors then approved all such transactions given that directors involved in such transactions abstain from participating in the decision-making.

Need & Reasons of Intercompany Transactions

The Intercompany transactions for the year ended October 31, 2019 are necessary and reasonable to provide the company and shareholders with maximum benefit. The terms and conditions of such transactions are on the normal business practice. The prices are appropriately calculated on the same basis as transactions with other individuals or businesses. There is no interest transfer between the company, subsidiaries, associated companies, and other related companies and individuals.

Future Intercompany Transactions

Intercompany transactions with shareholders or related companies are in line with general business practice and gives the company access to share the intellectual property rights of the joint ventures. The executive management, in approving such transactions, places maximum benefits to the company as the foremost criterion.

It is expected that related transactions such as sales and trade receivables and purchases and trade payables will continue as normal trade engagements. Related transactions will be reviewed by independent directors to ensure that they are normal trade transactions and in compliance with the announcements of the Stock Exchange of Thailand. The persons with vested interest are prohibited from the decision making process.

Detail of related parties' transactions is shown in Note 24 to financial statement in Appendix 4.

Financial Highlight

Summary of Report of Certified Public Accountant

The report of certified public accountants for last three fiscal years from 2017 to 2019 are an unqualified opinion on the consolidated and separate financial statements, which are presented fairly, in all material respects, the financial position, the results of operations, and its cash flows in accordance with generally accepted accounting principles.

Year	Certified Public Accountant	Office	No.	Opinion
2017	Ms. Suphaphorn Mangjit	D I A International Audit Co., Ltd.	8125	Unqualified
2018	Mr. Joompoth Piratanakorn	D I A International Audit Co., Ltd.	7645	Unqualified
2019	Mr. Joompoth Piratanakorn	D I A International Audit Co., Ltd.	7645	Unqualified

Summary of Operating Results & Financial Position

A summary of operating results and financial position for last three fiscal years from 2017 to 2019 is as follows:

Unit : Baht Million	Separate Financial Statements			Consolidated Financial Statements		
	2019	2018	2017	2019	2018	2017
Cash and cash equivalents	105	208	146	208	447	294
Trade accounts receivable & other current receivables	289	282	239	281	284	285
Gross amount due from customers for contract works	196	170	68	212	174	80
Total current assets	637	699	497	757	950	712
Investments in subsidiaries, associates & joint ventures	58	58	58	24	23	20
Property, plant and equipment	115	118	131	127	129	139
Total assets	832	895	705	941	1,134	926
Bank overdrafts & short-term loans	-	-	-	-	10	4
Trade accounts payable & other current payables	291	371	226	364	563	401
Total current liabilities	294	374	229	369	576	409
Non-current provisions for employee benefits	50	31	33	60	38	43
Total liabilities	358	419	276	455	628	466
Total shareholders' equity	474	476	430	487	506	461

Unit : Baht Million	Separate Financial Statements			Consolidated Financial Statements		
	2019	2018	2017	2019	2018	2017
Issued & paid up share capital	216	216	216	216	216	216
Premium on ordinary shares	101	101	101	101	101	101
Legal reserve	22	22	22	22	22	22
Retained earnings	105	106	60	113	132	86
Other components of shareholders' equity	31	31	31	32	31	31
Equity attributable to the parents' shareholders	474	476	430	483	501	456
Non-controlling interests of the subsidiaries	-	-	-	4	4	5
Total shareholders' equity	474	476	430	487	506	461

	Separate Financial Statements			Consolidated Financial Statements		
Unit : Baht Million	2019	2018	2017	2019	2018	2017
Revenues from the rendering of services	1,215	1,512	1,058	1,536	2,020	1,373
Other income	58	25	14	14	7	7
Gross profit	282	318	243	365	406	328
Total selling and administrative expenses	265	255	220	317	320	282
Net income	68	73	30	52	74	46

	Separate Financial Statements			Consolidated Financial Statements		
Unit : Baht Million	2019	2018	2017	2019	2018	2017
Net cash provided by (used in)						
Operating activities	(68)	86	141	(151)	186	163
Investing activities	32	6	4	(9)	(6)	(6)
Financing activities	(67)	(30)	(55)	(79)	(27)	(55)
Cash & cash equivalents balance						
Increase (decrease), net	(103)	62	90	(239)	153	102
As at beginning	208	146	56	447	294	192
As at ending	105	208	146	208	447	294

	Separate Financial Statements			Consolidated Financial Statements		
	2019	2018	2017	2019	2018	2017
Liquidity Ratios						
Current ratio (times)	2.2	1.9	2.2	2.0	1.7	1.7
Receivable turnover (times)	6.9	9.5	6.1	8.5	11.4	7.2
Days sales outstanding (days)	52	38	59	42	31	50
Trade payable turnover (times)	4.0	5.9	5.4	4.1	5.7	5.5
Days payables outstanding (days)	91	61	67	89	63	66
Profitability Ratios						
Gross profit (%)	23	21	23	24	20	24
Net profit (%)	6	5	3	3	4	3
Return on equity (%)	14	16	7	11	15	10
Operating Efficiency						
Return on assets (%)	8	9	4	5	7	5
Assets turnover (times)	1.4	1.9	1.4	1.5	2.0	1.5
Other Key Financial Indicators						
Total debts to equity ratio (times)	0.8	0.9	0.6	0.9	1.2	1.0
Book value per share (Baht)	2.204	2.212	1.996	2.242	2.329	2.117
Earnings per share* (Baht)	0.314	0.341	0.138	0.234	0.337	0.206
Dividend per share (Baht)	0.30	0.125	0.15	0.30	0.125	0.15

* Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the company excluding other comprehensive income by the weighted average number of ordinary shares issued during the year.

Management Discussion & Analysis

Operation Overview

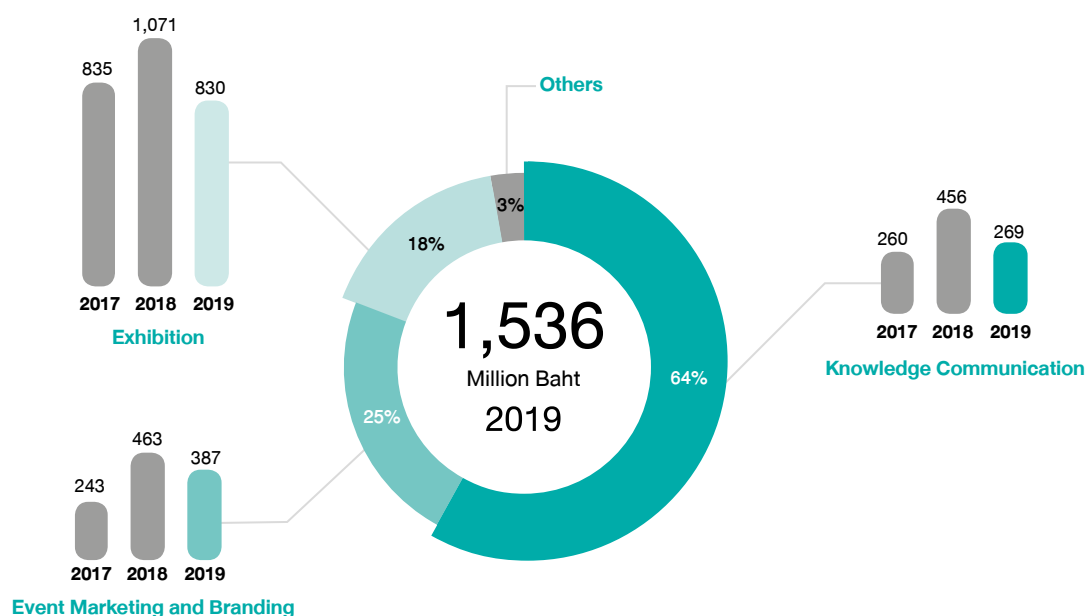
Revenue decreased by 24% from last year to Baht 1,536 million as a result of the global economic slowdown affecting Thailand economy and all domestic business sectors including our clients' marketing activities, the slowdown of special governmental projects and the completion of museum mega project, Rama IX Museum owned by National Science Museum, in March 2019. Nevertheless, with the organization restructuring to improve cost management efficiency since last year, gross profit margin has significantly improved from 20% last year to 24%. While total selling and administrative expenses slightly decreased to Baht 317 million. In overall, net profit for the year 2019 decreased by 30% to Baht 52 million.

Revenue

2019 revenue significantly decreased from the previous year to Baht 1,536 million stemming from Thailand economic slowdown affecting the decrease of clients' marketing activities accompanying with the special projects from government agencies obtained last year. In addition, Rama IX Museum project was completed in March 2019.

The Company's revenue can be divided into 4 main segments which are Exhibition business, Event Marketing and Branding business, Knowledge Communication business and Others business.

Revenue Growth by Segment



Revenue from each core business can be explained as below.

Exhibition

Revenue from Exhibition business, amounting to Baht 830 million, decreased by 22% mainly from special government projects gained last year. Major projects consisted of :

- The booth design and construction of the well-known car brands in 40th Bangkok International Motor Show and 35th Thailand International Motor Expo
- The exhibition design & construction and event management in Startup Thailand 2019 and Innovation Thailand Expo 2019 hosted by National Innovation Agency, Digital Thailand Big Bang 2019 hosted by Digital Economy Promotion Agency, and National Science & Technology Fair 2019 hosted by National Science Museum.

Event Marketing and Branding

Revenue from Event Marketing and Branding business, amounting to Baht 387 million, decreased by 16% owing to the decreasing marketing activities of some clients when comparing with the previous year. Major projects included the marketing activation for leading automotive brands.

Knowledge Communication

Revenue from Knowledge Communication business, amounting to Baht 269 million, decreased by 41% due to the fact that the fabrication of Rama IX Museum was completed in March 2019 in accordance with the contract with National Science Museum. Major projects included the fabrication of permanent exhibition at museums and learning centers of government and private organizations including Rama IX Museum owned by National Science Museum and the digital content production of Mahidol Channel for the seven consecutive years for Mahidol University.

Selling and Administrative Expenses

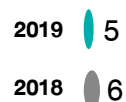
Total selling and administrative expenses for the year 2019 were Baht 317 million, slightly decreased from last year by Baht 3 million. The detailed analysis is as follows.

Unit : Million Baht

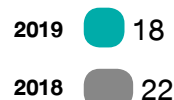
Staff Expenses



Director Remuneration



Depreciation & Amortisation Expenses



Other Expenses



Staff expenses, amounting to Baht 202 million, increased from Baht 189 million last year and were accounted for 64% of total expenses (2018: 59%). As at October 31, 2019, the number of headcount was 201 persons, increased from 191 persons in 2018. The increasing staff expenses resulted from two main reasons i.e. the effect of the amendments to the law relating to the legal severance pay rates effective from May 5, 2019 onwards (more explanation can be found in Note 17 to financial statements “Non-Current Provisions for Employee Benefits”) and headcount increase in accordance with the Company’s organization restructuring to improve the cost management efficiency and transform the organization in accordance with DRIVE CHANGE strategy to be able to serve client’s ever changing needs. An average staff expense per person for the year 2019 was Baht 1.0 million, slightly increased by 2% from the previous year.

Directors’ remuneration was Baht 4.9 million, decreased from Baht 6 million last year. This amount was considered and approved by the board of directors in consideration of the role and responsibility of each director under the authority given by the annual general meeting of shareholders held on February 15, 2019 which approved total director remuneration for the year 2019 at the amount not exceeding Baht 6 million.

Depreciation and amortization expenses, amounting to Baht 18 million, decreased by Baht 4 million stemming from the fully depreciated assets during the year. Additionally, there was no major capital expenditure during the year.

Other expenses include selling expenses, professional expenses, rental and maintenance fee, utility expenses and miscellaneous expenses. Other expenses for the current year amounted to Baht 92 million, decreased by Baht 11 million. The decreasing expenditure was mainly owing to the decrease in selling expenses in accordance

with sales decrease and the reversal of provision for doubtful debts of Baht 5.2 million from the lawsuit against the government agency (more explanation can be found in Note 6 to financial statements “Trade Account Receivables and Other Current Receivables”). While rental expense increased from new warehouse rental of the Company.

Net Profit

From all of the above, revenue significantly decreased by 24% to be Baht 1,536 million. Gross profit margin was improved to 24%. Other income increased to Baht 14 million partly owing to the interest income received from the lawsuit against the government agency (more explanation can be found in Note 6 to financial statements “Trade Account Receivables and Other Current Receivables”). Share of profit from investment using the equity method was Baht 3.8 million, no significant change from last year. Selling and administrative expenses slightly decreased by Baht 3 million to Baht 317 million. As a result, the Company’s net profit for the year was Baht 52 million, decreased from Baht 74 million last year. Net profit margin was 3.4% decreased from 3.7% last year. Net profit attributable to owners of the parent was Baht 50 million. Earnings per share was at Baht 0.234 per share, down from Baht 0.337 per share last year. Return on equity was 11%, down from 15% last year. And return on assets was 5%, decreased from 7% in the previous year.

Dividend

From the financial position and performance of 2019, the company’s board of directors considered proposing the Annual General Meeting of Shareholders 2020 (which will be held on February 21, 2020) for approval of 2019 dividend payment of Baht 0.25 per share (2018: Baht 0.30 per share), representing a dividend payout ratio of 80% of net profit for the year (2018: 88%).

Financial Position in Overview

In 2019, the Company still maintained strong financial position with the current ratio of 2.0 times, up from 1.7 times last year. While debt to equity ratio also decreased from 1.2 times last year to 0.9 times.

As at October 31, 2019, the company had total assets of Baht 941 million, decreased by 17% from last year. Total assets consisted of current assets of Baht 757 million (accounted for 80% of total assets), property, plant and equipment of Baht 127 million (accounted for 14% of total assets), investment in subsidiaries, associates and joint ventures of Baht 24 million (accounted for 3% of total assets) and other non-current assets.

Total Liabilities as at October 31, 2019 were Baht 455 million, down by 28%. Current liabilities were Baht 369 million (accounted for 81% of total liabilities). Non-current liabilities of Baht 85 million included non-current provisions for employee benefits of Baht 60 million.

Total shareholders' equity as at October 31, 2019 was Baht 487 million, decreased from last year by 4%. Net book value per share was Baht 2.242 decreased from Baht 2.329 last year.

Cash & Cash Equivalent

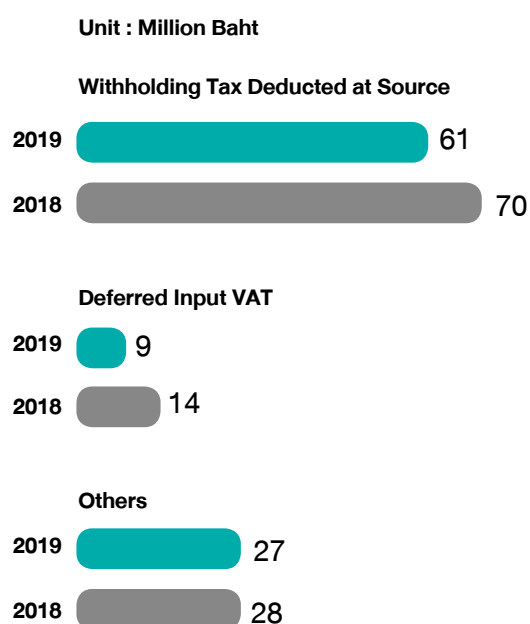
As at October 31, 2019, cash and cash equivalent equaled to Baht 208 million, decreased by 53%. Net cash used in operating activities was Baht 151 million mainly stemming from payment to suppliers. Net cash used in investing activities was Baht 8 million. And net cash used in financing activities was Baht 79 million mainly due to the Company's dividend payment and loan repayment of subsidiaries.

Trade Accounts Receivable

Trade accounts receivable as at October 31, 2019 were Baht 183 million, slightly increased from last year. Third party trade accounts receivable were accounted for 96% of trade accounts receivable. 98% of net trade accounts receivable was aged not over three months. Days sales outstanding were 42 days, increased from last year by 11 days.

Other Current Receivables

Other current receivables as at October 31, 2019 were Baht 97 million, decreased by Baht 15 million from last year. Key components of other current receivables were as follows:



Withholding tax deducted at source was Baht 61 million, decreased by Baht 9 million from last year. The tax refund for such withholding tax was being under process with Revenue Department.

Deferred input VAT was purchase tax of the billed amount of trade accounts payable which the company has not made payments as at the end of fiscal year. As at October 31, 2019, deferred input VAT was Baht 9 million, decreased by Baht 5 million in accordance with the decrease in trade accounts payable.

While the others consisted of prepaid expenses, advance payment, VAT receivable, prepaid contract amount, client retention, etc. As at October 31, 2019, the balance was Baht 27 million, not significantly changed from the previous year.

The Gross Amount due from Customers for Contract Works

The gross amount due from customers for contract works is the contract amount recognized in profit or loss for the cost incurred to date less billing amount, advance from customers and allowance for doubtful accounts. The balance as of October 31, 2019 was Baht 212 million, significantly increased from last year by Baht 38 million owing to the big projects obtained during the end of current fiscal year.

Investment

As at October 31, 2019, the investment in subsidiaries, associates and joint ventures was Baht 24 million, increased by Baht 1 million. This increase primarily resulted from share of profit from investment using the equity method offset with its dividend payment during the year. The detail of the investment in subsidiaries, associates and joint ventures was presented in Note 9 to financial statements "Investments in Subsidiaries, Associated Companies, and Joint Venture".

Property, Plant & Equipment

Property, plant and equipment as at October 31, 2019 were Baht 127 million, a slight decrease from last year. There was no significant capital expenditure during the year. Major components of property, plant and equipment were land and building and improvement. The detail of property, plant and equipment was presented in Note 11 to financial statements "Property, Plant and Equipment".

Trade Accounts Payable

As at October 31, 2019, the company had trade accounts payable of Baht 232 million which consisted of billed trade accounts payable of Baht 130 million and accrued cost of Baht 102 million. Accrued cost is the cost of services that are completed by suppliers and accepted by the company, but are not yet billed as at the end of the financial year.

Unit : Million Baht

Trade Accounts Payable



Accrued Cost

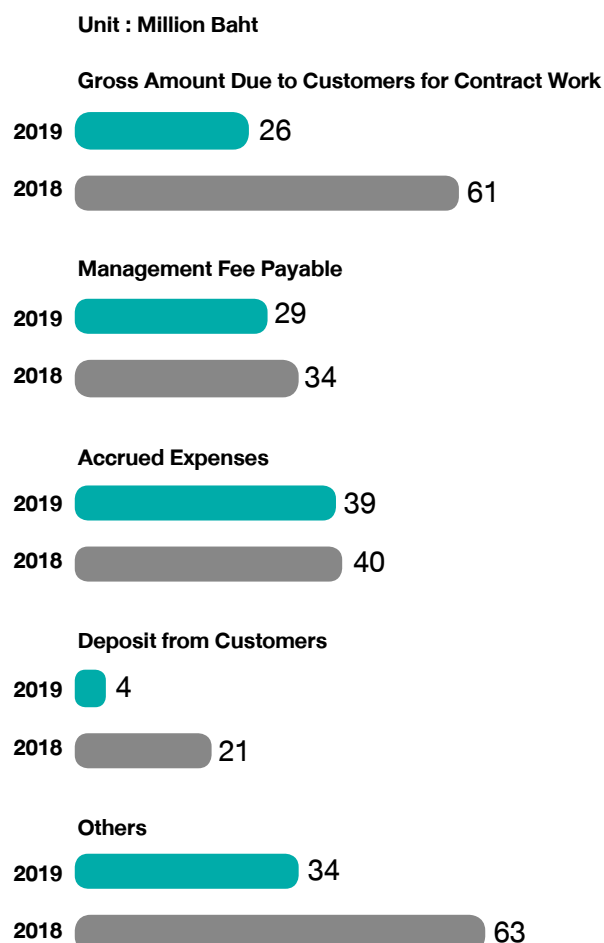


As at October 31, 2019 the significant decrease in trade account payables of Baht 114 million mainly stemmed from the decreasing amount of revenue recognized during the end of current fiscal year as well as the completion of the long-term project, Rama IX Museum, in March 2019.

96% of trade accounts payable was the balance with third parties. While days payable outstanding were 89 days, significantly increased from 63 days last year.

Other Current Payables

Other current payables as at October 31, 2019 were Baht 132 million, decreased by Baht 85 million. Detail of other current payables was as follows.



Gross amount due to customers for contract work was the contract amount the company received from customers ahead of the revenue recognized in profit or loss. As at October 31, 2019, gross amount due to customers for contract work was Baht 26 million, significantly decreased by Baht 35 million mainly from the long-term museum and learning center projects.

Management fee payable to Pico Art International Pte. Ltd., our major shareholder, was Baht 29 million decreased by 14% year on year in accordance with sales decrease.

Accrued expenses included selling expense, rental expenses, utility expenses, etc. As at October 31, 2019 accrued expenses were Baht 39 million, no significantly changed from last year.

Deposit from customers was the contract amount received in advance from customers. This deposit will gradually decrease in accordance with the deliverables submitted to customers along the project period. As at October 31, 2019, the company had deposit from customers of Baht 4 million, sharply decreased by Baht 17 million mainly due to the completion of Rama IX Museum in March 2019.

While the others were Baht 34 million, decreased by Baht 29 million mainly from the decrease in the retention deducted from each installment paid to suppliers for the long-term museum and learning center projects according to the progress of the projects. Such retention will be returned to suppliers after the warranty period ends without work defect or when the bank guarantees are provided as guarantee instead of retention money.

Non-Current Provisions for Employee Benefits

Non-current provisions for employee benefits consisted of post-employment benefit and other long-term benefit. Post-employment benefit is the obligation that the company has to pay the employees upon retirement. Other long-term benefit is, for example, jubilee awards paid to employees upon completion of a certain number of years of service. As at October 31, 2019, the company had non-current provisions for employee benefits of Baht 60 million, significantly increased by 57% from the previous year as a result of the effect of the amendments to the law relating to the legal severance pay rates effective from May 5, 2019 onwards (more explanation can be found in Note 17 to financial statements "Non-Current Provisions for Employee Benefits").

Liquidity

The company had cash and cash equivalent as at October 31, 2019 of Baht 208 million, decreased by 53% year on year. Current ratio increased from 1.7 times last year to 2.0 times. Days sales outstanding increased by 11 days to 42 days while days payables outstanding also increased by 26 days to 89 days. And the unused line of credit as at October 31, 2019 was Baht 246 million. With such high liquidity, the company would have sufficient fund to make an investment or merger and acquisition when the opportunities arise.

Factors Impacting to Business Operation in Future

During the year 2019, Thailand economy growth has been slowdown in terms of the decline of Thai exports and domestic demand as a result of the trade war situation and global economic slowdown.

In the year 2020, the ongoing trade war is still expected which shall continue to affect a Thai export slump, affecting to other domestic sectors of Thailand economy including the marketing activities of private sectors. However, public investment in infrastructure projects, government stimulus measures, and public consumption are likely to be key factors to boost up Thailand economy in 2020.

Meanwhile, Knowledge Communication business of the Company is expected to continually grow, partly from the current government policy regarding Thailand education revolution and development, accompanying with the increasing encouragement from private sectors to support Thailand education development. In addition, the company has brought the advanced technology to create the digital media and contents for knowledge communication, serving the growing need of digital world.

In addition, according to the rapid change of advanced technologies, affecting the consumer behaviors in all aspects and the change in business ecosystem, the company has foreseen business risks and opportunities. Thus we shall continue to operate the business with our core strategy “Drive Change” for the fourth consecutive year aiming at fostering the organization culture of Change and encouraging the innovation creation to integrate the advanced technology into new business model with the ultimate goal to create new services that effectively respond to customers’ ever-changing needs.


Information Certification

"The company has prudently reviewed the facts and figures in the above-mentioned report. The company certifies that the said information is complete, accurate, truthful, not misleading or not inadequate in materiality. Furthermore, the company certifies that:

1. The financial statements and related financial information, presented in this annual information, accurately and completely present, in all material respects, the financial position, operating results and cash flows of the company and its subsidiaries.
2. The company is responsible for the fair disclosure system to ensure that the company has accurately and completely disclosed all material information of the company and its subsidiaries, as well as supervising the compliance of the system.
3. The company is responsible for the good internal control system and overseeing the conformity to such system. The company has informed the internal control evaluation as at December 13, 2019 to its auditors and the audit committee. The report included any deficiencies and material changes to the internal control system including the misdeeds which might affect the preparation of the financial statements of the company and its subsidiaries.

In order to ensure the authenticity and the wholeness of all the said documents endorsed by the company, the company instructed Mr. Chaijit TEHASUWANARAT to sign on each and every page of these documents. Should any page of these documents be without Mr. Chaijit TEHASUWANARAT's signature, the company shall consider that such page (or pages) is not certified by the company."

Name	Position	Signature
Mr. Silchai KIATPAPAN	Director	
Mr. Chaijit TEHASUWANARAT	Director	

Authorized Person	Position	Signature
Mr. Chaijit TEHASUWANARAT	Chief Financial Officer	

Appendix

- Appendix 1: Details of Directors, Executives, Authorized Persons, Person Taking Highest Responsibility in Finance and Accounting, Person Supervising Accounting and Company Secretary
- Appendix 2: Details of Directors of the Subsidiaries
- Appendix 3: Details of Internal Auditor
- Appendix 4: Report of Auditor & Financial Statements

Details of Directors, Executives, Authorized Persons, Person Taking Highest Responsibility in Finance and Accounting, Person Supervising Accounting and Company Secretary

Details of Directors

Mr. Chia Song Heng

Age 67 Years

Chairman of Board of Directors, Chairman of Nomination Committee, Chairman of Remuneration Committee, Vice Chairman of Executive Committee and Authorized Director

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

August 19, 2003

Educations and Certifications

- Executive Program, Stanford University - National University of Singapore
- Cyber Security and Cyber Risks Program and Director's Focus: Cultivating and Renewing Investors' Faith in Your Company and Handling Shareholder Activism by Hong Kong Institute of Directors
- Seminar on One Belt One Road Strategy by Mr. Thomas Chan (Head of China Business Centre of the Hong Kong Polytechnic University) by Pico Far East Holding Ltd.

5 Year Working Experiences

2014 - March 24, 2017 : Director
Pico Far East Holding Ltd.

2014 - Present : Group President
Pico Art International Pte Ltd.

2014 - Present : Chairman of Board of Directors
Vice Chairman of Executive Committee
Chairman of Nomination Committee
and Chairman of Remuneration Committee
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

Uncle of Miss Chia Yuan Jiun

Mr. Silchai Kiatpapan

Age 63 Years

Director, Nomination Committee Member, Chairman of Executive Committee, Chief Executive Officer and Authorized Director

% of Holding (including shares held by spouse and minor children)

0.02%

Appointment Date

August 19, 2003

Educations and Certifications

- Bachelor's Degree in Public Health, Mahidol University
- Directors Accreditation Program, Directors Certification Program and Finance for Non-Finance Directors from Thai Institute of Directors

5 Year Working Experiences

2014 - October 31, 2017 : Executive Committee Member
Pico (Thailand) PCL

2014 - Present : Director
Nomination Committee Member
and Chief Executive Officer
Pico (Thailand) PCL

November 1, 2017 - Present : Chairman of Executive Committee
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Ms. Chia Yuan Jiun

Age 46 Years

Director, Executive Committee Member and Authorized Director

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

February 27, 2015

Educations and Certifications

- Bachelor of Science in Economics, London School of Economics, U.K.
- Cyber Security and Cyber Risks Program and Director's Focus: Cultivating and Renewing Investors' Faith in Your Company and Handling Shareholder Activism by Hong Kong Institute of Directors
- Seminar on One Belt One Road Strategy by Mr. Thomas Chan (Head of China Business Centre of the Hong Kong Polytechnic University) by Pico Far East Holding Ltd.

5 Year Working Experiences

2014 - October 31, 2015 : Managing Director
Pico Art International Pte Ltd.

February 27, 2015 - Present : Director
Pico (Thailand) PCL

November 1, 2015 - Present : President, Southeast Asia
Pico Art International Pte Ltd.

February 1, 2016 - Present : Executive Director
Pico Far East Holdings Ltd.

September 5, 2017 - Present : Executive Committee Member
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

Niece of Mr Chia Song Heng

Mr. Chung Chee Keong

Age 53 Years

Director, Executive Committee Member and Authorized Director

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

June 13, 2019

Educations and Certifications

- Bachelor's degree of Accountancy, National University of Singapore
- Strategic Management Programme 2015, NUS Business School
- Role of Director II : Board Practices by Hong Kong Institute of Directors

5 Year Working Experiences

2014 - 2015 : Vice President of Finance - South Asia
Pico Far East Holdings Ltd

2016 - Present : Corporate Development and HR
Director
Pico Far East Holdings Ltd

June 13, 2019 - Present : Director
and Executive Committee Member
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Mr. Chaijit Tehasuwanarat

Age 53 Years

Director, Executive Committee Member, Authorized Director, Chief Financial Officer and Person Taking Highest Responsibility in Finance and Accounting

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

May 11, 2018

Educations and Certifications

- Bachelor's Degree in Accounting, University of the Thai Chamber of Commerce
- International Banking and Finance, University of Birmingham, U.K.
- Certified Public Accountant
- Company Secretary Program, Effective Minutes Taking, How to Develop a Risk Management Plan, Successful Formulation & Execution of Strategy and How to Measure the Success of Corporate Strategy from Thai Institute of Directors
- Strategic CFO in Capital Markets from Stock Exchange of Thailand
- Alibaba Master CEO Executive Program, Alibaba Business School

5 Year Working Experiences

2014 - June 6, 2018 : Company Secretary
Pico (Thailand) PCL

2014 - Present : Executive Committee Member
and Chief Financial Officer
Pico (Thailand) PCL

May 11, 2018 - Present : Director
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Continuing Professional Development Courses for the Year 2019

- TFRS 15 Revenue from Contracts with Customers and TAS 38 Intangible Assets by D I A International Audit Co., Ltd. (CPD: Accounting 13 hrs)

Mr. Chaiyod Bunyagidj

Age 65 Years

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

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

August 19, 2003

Educations and Certifications

- Ph.D. in Chemistry, The American University, Washington D.C., U.S.A.
- Directors Accreditation Program, Audit Committee Program, Improving Board Decision, Improving the Quality of Financial Report, Finance for Non-Finance Directors and Monitoring the System of Internal Control and Risk Management from Thai Institute of Directors

5 Year Working Experiences

2014 - December 31, 2018 : Advisor to Chief Executive Officer
United Analyst and Engineering
Consultant Co., Ltd.

2014 - Present : Independent Director
Chairman of Audit Committee
Nomination Committee Member
and Remuneration Committee
Member
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Mr. Manus Manoonchai

Age 64 Years

Independent Director, Audit Committee Member, Nomination Committee Member, and Remuneration Committee Member

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

October 9, 2017

Educations and Certifications

- Bachelor of Science in Accounting, Kasetsart University
- Master of Science in Accounting, Thammasat University
- Directors Accreditation Program from Thai Institute of Directors

5 Year Working Experiences

2014 - Dec 2015 : Senior Vice President of International Business and Risk Management Committee Berli Jucker PCL

March 2014 - December 2015 : Senior Vice President of Group Administration Berli Jucker PCL

January 2015 - December 2015 : Senior Vice President - Acting Country Head of Vietnam Operations Berli Jucker PCL

October 9, 2017 - Present : Independent Director, Audit Committee Member, Nomination Committee Member, and Remuneration Committee Member Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Mrs. Sasitorn Phongsathorn*

Age 62 Years

Independent Director, Audit Committee Member, Nomination Committee Member, and Remuneration Committee Member

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

January 10, 2020

Educations and Certifications

- Bachelor's Degree in Science in Chemical Engineer, Chulalongkorn University
- Master's Degree in Business Administration, Notre Dame de Namur University, California, U.S.A
- Capital Market Academy, Leader Program, CMA Class 12
- Directors Accreditation Program, Directors Certification Program, Financial Institutions Governance Program and Corporate Governance for Capital Market Intermediaries from Thai Institute of Directors

5 Year Working Experiences

December 2016 - April 2017 : Chairman of the Executive Committee Land and Houses Securities PLC

2014 - June 2017 : Executive Committee Member LH Financial Group PLC

2014 - October 2017 : Independent Director, Audit Committee Member, Nomination Committee Member and Remuneration Committee Member Pico (Thailand) PCL

2014 - May 2019 : Director, President, Executive Committee Member and Chairman of the Risk Management Committee Land and Houses Bank PLC

January 2018 - May 2019 : Chief Executive Officer Land and Houses Bank PLC

2014 - Present : Director, President and Chairman of the Risk Management Committee LH Financial Group PLC

January 2014 - Present : Director Land and Houses Advisory Co., Ltd

January 2014 - Present : Director Land and Houses Securities PLC

February 2015 - Present : Director Land and Houses Fund Management Co., Ltd

January 2018 - Present : Chief Executive Officer LH Financial Group PLC

Relation among Family with other Directors and Executives

None

* Mr. Sern Vithesponse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Mr. Yong Choon Kong*

Age 66 Years

% of Holding (including shares held by spouse and minor children)

None

Educations and Certifications

- Bachelor of Science in Statistics and Economics, Leeds University, England
- Life Member of the Institute of Chartered Accountants in England and Wales
- Directors Accreditation Program: Evaluation of A Company from the Perspective of Fund Managers, and Cybersecurity and Understanding Cyber Risks from The Hong Kong Institute of Directors

5 Year Working Experiences

- 2014 - 31 October 2018 : Executive Vice President
Pico Far East Holding Ltd.
- 2014 - 16 May 2019 : Director and Executive
Committee Member
Pico (Thailand) PCL

Mr. Viriya Pholpoke**

Age 66 Years

% of Holding (including shares held by spouse and minor children)

None

Educations and Certifications

- Bachelor's Degree in Science (Accounting), Kasetsart University
- BS. (Computer) University of Central Oklahoma, Oklahoma, U.S.A.
- Directors Accreditation Program from Thai Institute of Directors

5 Year Working Experiences

- 2014 - March 4, 2019 : Director Nomination Committee
Member and Remuneration
Committee Member
Pico (Thailand) PCL
- 2014 - Present : Advisor
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Relation among Family with other Directors and Executives

None

* Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

** Mr. Viriya Pholpoke resigned as the company's director, nomination committee member and remuneration committee member with the effective date from March 5, 2019 onwards.

Mr. Sern Vithespongse*

Age 65 Years

% of Holding (including shares held by spouse and minor children)

None

Educations and Certifications

- Bachelor's Degree in Architecture, Silpakorn University
- Directors Accreditation Program from Thai Institute of Directors

5 Year Working Experiences

2014 - December 17, 2019 :	Independent Director
	Audit Committee Member
	Nomination Committee Member and Remuneration Committee Member
	Pico (Thailand) PCL
2014 - Present :	Group Director
	P&T Architects and Engineers Ltd. (Hong Kong)
2014 - Present :	Group Director
	Palmer and Turner (Thailand) Co., Ltd.
2014 - Present :	Group Director
	Palmer and Turner (Hongkong) Co., Ltd.

Relation among Family with other Directors and Executives

None

* Mr. Sern Vithespongse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Details of Executives

Mr. Chokchai Vatcharanirunkul

Age 60 Years

Executive Committee Member and Chief Advisor to CEO

% of Holding (including shares held by spouse and minor children)

0.00%

Appointment Date

June 6, 2008

Educations and Certifications

- Bachelor's Degree in Political Science, Ramkhamhaeng University
- Master's Degree in Arts in Political Science, Ramkhamhaeng University
- Directors Accreditation Program from Thai Institute of Directors
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives by King Prajadhipok's Institute

5 Year Working Experiences

2014 - January 31, 2018 : Senior Executive Vice President - Event Marketing & Special Projects
Pico (Thailand) PCL

2014 - Present : Executive Committee Member
Pico (Thailand) PCL

February 1, 2018 - Present : Chief Advisor to CEO
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Miss Supaporn Sawangjitt

Age 51 Years

Executive Committee Member and Chief Operating Officer

% of Holding (including shares held by spouse and minor children)

0.00%

Appointment Date

June 6, 2008

Educations and Certifications

- Bachelor's Degree in Fine and Applied Arts (B.F.A), Chulalongkorn University
- Directors Accreditation Program from Thai Institute of Directors
- Stanford - NUS Executive Program in International Management, National University of Singapore
- Alibaba Master CEO Executive Program, Alibaba Business School

5 Year Working Experiences

2014 - January 31, 2018 : Executive Vice President - Event Marketing
Pico (Thailand) PCL

2014 - Present : Executive Committee Member
Pico (Thailand) PCL

February 1, 2018 - Present : Chief Operating Officer
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Mr. Chayaphol Kalapaphongse

Age 51 Years

Group Account Director (Marketing and Account Servicing)

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

February 1, 2018

Educations and Certifications

- Bachelor's Degree in Advertising and Public Relation, Ramkhamhaeng University
- Master of Business Administration for CEOs, Ramkhamhaeng University
- Digital Transformation Strategy for Senior Managements by IMC Institute

Miss Suthira Silakote

Age 48 Years

Group Account Director (Marketing and Account Servicing)

% of Holding (including shares held by spouse and minor children)

0.00%

Appointment Date

February 1, 2018

Educations and Certifications

- High vocational Certificate of Marketing, Assumption Commercial College

5 Year Working Experiences

2014 - January 31, 2018 : Vice President - Event Marketing
Pico (Thailand) PCL

February 1, 2018 - Present : Group Account Director
(Marketing and Account Servicing)
Pico (Thailand) PCL

5 Year Working Experiences

2014 - July 31, 2016 : General Manager
Pico (Thailand) PCL

August 1, 2016 - October 31, 2017 : Group General Manager
Pico (Thailand) PCL

November 1, 2017 - Present : Group Account Director
(Marketing and Account Servicing)
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Relation among Family with other Directors and Executives

None

Detail of Person Supervising Accounting*

Miss Amara Banditakon

Age 59 Years

Accounting Manager

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

December 14, 1992

Educations and Certifications

- Bachelor's Degree in Accounting, Faculty of Business Administrations, Rajabhat Rajanagarindra University
- Bachelor's Degree in Public Administration, Faculty of Political Science, Ramkhamhaeng University
- Master's Degree in Accounting, Faculty of Business Administration, Krirk University
- Corporate Finance Laws 2019 by Omegaworldclass Research Institute

Continuing Professional Development Courses for the Year 2019

- TFRS 15 Revenue from Contracts with Customers and TAS 38 Intangible Assets by D I A International Audit Co., Ltd. (CPD: Accounting 13 hrs)
- 5 Steps New TFRS15 by the Revenue Department (CPD: Accounting 3.5 hrs, Other 3.5 hrs)
- TAX Update 2019 by 75 CPE Co. Ltd. (CPD: Other 6.5 hrs)

5 Year Working Experiences

2014 - Present : Accounting Manager
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

Detail of Company Secretary**

Miss Kulsiri Denrungruang

Age 31 Years

Company Secretary

% of Holding (including shares held by spouse and minor children)

None

Appointment Date

June 6, 2018

Educations and Certifications

- Bachelor of Accountancy, Faculty of Commerce and Accountancy, Chulalongkorn University
- Certified Public Accountant
- Fundamental Practices for Corporate Secretary and Fundamental Laws for Corporate Secretaries from Thai Listed Companies Association
- How to Develop a Risk Management Plan from Thai Institute of Directors
- Strategic CFO in Capital Markets and Basic IR from Stock Exchange of Thailand

5 Year Working Experiences

August 1, 2014 - Present : Executive Assistant to CFO
Pico (Thailand) PCL
June 6, 2018 - Present : Company Secretary
Pico (Thailand) PCL

Relation among Family with other Directors and Executives

None

* The person supervising accounting is the professional accountant charged with accounting duties with qualifications and conditions prescribed by the Notification of the Department of Business Development and the SEC Notification No.TorJor. 39/2559;

** Please see more details of the responsibilities of company secretary in section "Corporate Governance"

Details of Directors, Executives and Authorized Persons of the Company, Subsidiaries & Associated Companies

Details of Directors, Executives and Authorized Persons of the Company, Subsidiaries & Associated Companies as at October 31, 2019 are as follow ;

Name	Subsidiaries										Associated Companies		
	Pico (Thailand) PCL	PX System Co., Ltd.	Nox Bangkok Co., Ltd.	Multi Design Co., Ltd.	TCBN Co., Ltd.	FCG Co., Ltd.	2010 Media Co., Ltd.	GKE Co., Ltd.	G&S Joint Venture Co., Ltd.	NXH Joint Venture Co., Ltd.	Andrew Bethell Associates Ltd.	Inkjet Images (Thailand) Co., Ltd.	Ibrix Co., Ltd. FiftyPlus Co., Ltd.
Mr. Chia Song Heng	X, /, //	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Silchai Kiatpapan	/, //	-	-	-	-	-	-	/	-	-	/	-	-
Miss Chia Yuan Jiun	/, //	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Chung Chee Keong *	/, //	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Chaiyod Bunyagidj	/	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sern Vithepongse **	/	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Manus Manoonchai	/	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Chaijit Tehasuanarat	/, //	/	/	/	/	/	/	/	/	/	/	-	/
Mr. Chokchai Vatcharanirunkul	//	/	/	-	-	-	-	/	-	-	-	/	-
Miss Supaporn Sawangjitt	//	-	/	/	-	-	/	-	-	-	-	-	-
X : Chairman	/ : Director	// : Executive Committee Member											

* Mr. Yong Choon Kong resigned as the company's director and executive committee member with the effective date from May 17, 2019 onwards. And Mr. Chung Chee Keong was nominated for his replacement as the company's director effective from June 13, 2019 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2020 annual general meeting of shareholders.

** Mr. Sern Vithepongse resigned as the company's independent director, audit committee member, nomination committee member and remuneration committee member with the effective date from December 18, 2019 onwards. And Mrs. Sasitorn Phongsathorn was nominated for his replacement as the company's independent director, audit committee member, nomination committee member and remuneration committee member effective from January 10, 2020 onwards. The nominated director assumed the remaining tenure of the resigned director which shall end at the Company's 2021 annual general meeting of shareholders.

Details of Directors of the Subsidiaries*

Name list	PX System Co., Ltd.	GKE Co., Ltd
Mr. Silchai Kiatpapan		/
Mr. Choochai Kasemsuk	/	
Mr. Chokchai Vatcharanirunkul	/	/
Mr. Chaijit Tehasuwanarat	/	/
Mr. Pornchai Tangsunawan		/

*Significant subsidiaries which have revenues exceeding 10% of total revenues in consolidated financial statements during the last three fiscal years

/ : Director

Details of Internal Auditor

Miss. Somjai Sae-Tang

Age 41 Years

Internal Auditor

Appointment Date

July 8, 2019*

Educations and Certifications

- Bachelor's Degree in Accounting, Chulalongkorn University
- Master's Degree in Accounting, Chulalongkorn University
- Certified Public Accountant
- Member of Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Working Experiences

2012 - 2014	: Assistant Accounting Manager National Catastrophe Insurance Fund
2014 - 2015	: Accounting Manager Berli Jucker PCL.
July 2019 - Present	: Internal Auditor Pico (Thailand) PCL

Responsibilities

Internal Audit Charter	: Establish the statement of objectives, authorities, role and responsibilities of internal audit function and acceptance by Audit Committee
Annual Audit Plan	: Propose the internal audit plan to Audit Committee in the meeting
Internal Audit Execution	: Detailed work to evaluate internal controls of each area and issuance of report on results of findings and recommendations for improvement and Perform ad-hoc project based on Audit Committee's requirement or business issues
Administrative Works	: Prepare performances review to Audit Committee meeting on a quarterly basis and Prepare progress of internal audit work to be presented to Audit Committee in the meeting

*On July 8, 2019, the audit committee appointed Ms. Somjai Sae-Tang as internal auditor of the Company in replacement of Mr. Sompoch Sae-Chueng which his engagement for internal audit services ended in June 30, 2019.



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PICO (THAILAND) PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of PICO (THAILAND) PUBLIC COMPANY LIMITED, ITS SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES and of PICO (THAILAND) PUBLIC COMPANY LIMITED which comprise the consolidated and separate statements of financial position as at October 31, 2019, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of PICO (THAILAND) PUBLIC COMPANY LIMITED, ITS SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES and of PICO (THAILAND) PUBLIC COMPANY LIMITED as at October 31, 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group 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. These matters were 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 these matters.

Key Audit Matters included Auditing Procedures are as follows:

Revenue from services recognition.

As stated in note to financial statements No. 3.1, revenue from services recognition by the percentage of completion method by calculating percentage of total cost incurred as at financial reporting date and comparing with total anticipated contract cost. The accuracy and completion of total anticipated contract cost is depended upon judgment of the Management in considering factors and various variables such as work delay, increasing and decreasing of work, the accuracy of anticipated of cost until work completed which effect on the accuracy of revenue recognition under the percentage of completed works

Therefore, I have considered as Key Audit Matter.

I have been assured relating to revenue recognition of the percentage of completion work by:

- Understanding and assessing internal control relating to contract work that recognized by the percentage of completion method and total anticipated contract cost.

- Testing significant control system and preparation total anticipated contract cost.
- Comparing actual cost incurred with anticipated cost in order to consider the effect on completed cost of work under the contract including examining the stage of completed work for recording revenue recognition.
- Inspecting the accuracy of anticipated cost adjustment until work completed.
- Inspecting evidence of works delivered to customer whether receiving revenue from services is properly close to completion works.

Other Information

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

My opinion on the consolidated and separate financial statements does not cover the other information and I do not and 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines 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, management is responsible for assessing the Group's and the 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism 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's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

D I A INTERNATIONAL AUDIT CO., LTD.



(Mr. Joompoth Piratanakorn)

C.P.A. (Thailand) Registration No. 7645

December 13, 2019

STATEMENTS OF FINANCIAL POSITION

AS AT OCTOBER 31, 2019

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2019	2018	2019	2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	208,098,921	446,671,940	105,286,969	208,099,680
Current Investments	5	328,716	325,813	-	-
Trade accounts receivable and other current receivables	6, 24	280,593,864	284,436,420	288,650,079	282,366,864
The gross amount due from customers for contract work	7, 24	212,301,681	173,804,750	195,858,963	170,049,994
Deferred cost of the rendering of services	8, 24	55,696,741	45,075,123	47,409,079	38,129,645
Total Current Assets		757,019,923	950,314,046	637,205,090	698,646,183
NON-CURRENT ASSETS					
Investments in subsidiaries, associated companies and Joint Ventures	9, 24	23,778,241	22,922,052	58,131,047	58,131,047
Other long-term investments	10	5,768,362	3,868,362	2,398,800	2,398,800
Property, plant and equipment	11	127,179,877	129,333,618	114,583,134	118,463,168
Intangible assets	13	6,562,899	8,324,928	4,727,718	5,998,671
Deferred tax assets	25	14,637,836	10,259,602	12,961,456	8,866,841
Other Non-current assets		6,548,117	9,151,932	2,291,225	2,966,226
Total Non-Current Assets		184,475,332	183,860,494	195,093,380	196,824,753
TOTAL ASSETS		941,495,255	1,134,174,540	832,298,470	895,470,936

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

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT OCTOBER 31, 2019

UNIT : BAHT					
	Notes	CONSOLIDATED		SEPARATE	
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	14	-	9,500,000	-	-
Trade accounts payable and other current payables	15, 24	364,464,210	562,616,628	291,189,244	371,204,334
Current portion of liabilities under finance lease	16	3,308,034	2,588,852	3,308,034	2,588,852
Accrued corporate income tax		1,616,333	972,111	-	-
Total Current Liabilities		369,388,577	575,677,591	294,497,278	373,793,186
NON-CURRENT LIABILITIES					
Liabilities under finance lease	16	5,498,032	6,798,936	5,498,032	6,798,936
Non-current provisions for employee benefits	17	59,786,914	38,088,237	49,992,114	30,863,579
Deferred tax liabilities	25	7,844,951	7,843,476	7,844,951	7,843,476
Other Non-Current Liabilities	18	12,127,985	-	-	-
Total Non-Current Liabilities		85,257,882	52,730,649	63,335,097	45,505,991
TOTAL LIABILITIES		454,646,459	628,408,240	357,832,375	419,299,177

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

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT OCTOBER 31, 2019

UNIT : BAHT					
	Notes	CONSOLIDATED		SEPARATE	
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	19				
Authorized share capital					
330,000 preferred shares of Baht 1 each		330,000	330,000	330,000	330,000
215,294,775 ordinary shares of Baht 1 each,		215,294,775	215,294,775	215,294,775	215,294,775
		215,624,775	215,624,775	215,624,775	215,624,775
Issued and paid-up share capital					
330,000 preferred shares of Baht 1 each, fully paid		330,000	330,000	330,000	330,000
215,294,559 ordinary shares of Baht 1 each, fully paid		215,294,559	215,294,559	215,294,559	215,294,559
		215,624,559	215,624,559	215,624,559	215,624,559
PREMIUM ON SHARE					
Premium on ordinary shares		101,250,000	101,250,000	101,250,000	101,250,000
RETAINED EARNINGS					
Appropriated					
Legal reserve	20	21,562,478	21,562,478	21,562,478	21,562,478
Unappropriated		112,686,093	131,501,220	104,655,155	106,360,819
Other components of shareholders' equity		31,528,333	31,476,802	31,373,903	31,373,903
Equity attributable to owners of the parent		482,651,463	501,415,059	474,466,095	476,171,759
Non-controlling interests		4,197,333	4,351,241	-	-
TOTAL SHAREHOLDERS' EQUITY		486,848,796	505,766,300	474,466,095	476,171,759
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		941,495,255	1,134,174,540	832,298,470	895,470,936

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

PICO (THAILAND) PUBLIC COMPANY LIMITED, ITS SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED OCTOBER 31, 2019

UNIT : BAHT					
	Notes	CONSOLIDATED		SEPARATE	
		2019	2018	2019	2018
Revenues from the rendering of services	24	1,536,248,494	2,020,035,574	1,214,753,278	1,512,301,657
Costs of the rendering of services	24	(1,170,946,254)	(1,613,811,842)	(932,589,105)	(1,194,048,243)
Gross profit		365,302,240	406,223,732	282,164,173	318,253,414
Dividend income	24	1,183,920	493,300	46,731,321	18,165,696
Other income	24	12,579,058	6,705,587	11,302,116	6,593,325
Profit before expenses		379,065,218	413,422,619	340,197,610	343,012,435
Selling expenses	24	(11,303,137)	(20,580,620)	(14,005,636)	(22,037,096)
Administrative expenses	24	(306,126,162)	(299,666,908)	(250,977,737)	(232,542,374)
Total expenses		(317,429,299)	(320,247,528)	(264,983,373)	(254,579,470)
Profit (Loss) before financial costs and income tax expense		61,635,919	93,175,091	75,214,237	88,432,965
Financial costs		(699,199)	(744,190)	(569,846)	(645,138)
Share of profit (loss) from investments using the equity method		3,839,520	4,615,955	-	-
Profit (Loss) before income tax		64,776,240	97,046,856	74,644,391	87,787,827
Income tax expenses	25	(12,619,297)	(22,817,633)	(6,938,674)	(14,468,580)
PROFIT (LOSS) FOR THE YEAR		52,156,943	74,229,223	67,705,717	73,319,247
Other comprehensive income					
<i>Components of other comprehensive income that may be reclassified to profit or loss:</i>					
Exchange differences on translation of financial statements in foreign currency - net of income tax		51,531	76,897	-	-
<i>Components of other comprehensive income that will not be reclassified to profit or loss:</i>					
Profit (Loss) on remeasurement of defined benefit obligation	17, 25	(4,329,770)	-	(4,724,013)	-
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		(4,278,239)	76,897	(4,724,013)	-
TOTAL COMPREHENSIVE INCOME (LOSS)		47,878,704	74,306,120	62,981,704	73,319,247
PROFIT (LOSS) ATTRIBUTABLE TO					
Equity holders of the parent		50,275,468	72,484,481	67,705,717	73,319,247
Non-controlling interests		1,881,475	1,744,742	-	-
		52,156,943	74,229,223	67,705,717	73,319,247
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO					
Equity holders of the parent		45,923,770	72,561,378	62,981,704	73,319,247
Non-controlling interests		1,954,934	1,744,742	-	-
		47,878,704	74,306,120	62,981,704	73,319,247
BASIC EARNINGS (LOSSES) PER SHARE (BAHT)	23	0.234	0.337	0.314	0.341
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (SHARES)					
		215,294,559	215,294,559	215,294,559	215,294,559

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED OCTOBER 31, 2019

UNIT : BAHT

Equity attributable to the parent's shareholders											
Other components of shareholders' equity											
Other comprehensive income											
Notes	Issued and paid-up share capital		Premium on share capital		Retained Earnings		Translation adjustments		Land revaluation surplus		Total other components of shareholders' equity
	Preferred shares	Ordinary shares	Preferred shares	Ordinary shares	Appropriated Legal reserve	Unappropriated					
Balance as at November 1, 2017	330,000	215,294,559	101,250,000	21,562,478	85,969,809	26,002	31,373,903	31,399,905	455,806,751	5,007,467	460,814,218
Dividend paid	22, 24	-	-	-	(26,953,070)	-	-	-	(26,953,070)	(2,400,968)	(29,354,038)
Profit (Loss) for the year	-	-	-	-	72,484,481	-	-	-	72,484,481	1,744,742	74,229,223
Other comprehensive income	-	-	-	-	-	76,897	-	76,897	76,897	-	76,897
Ending balance, October 31, 2018	330,000	215,294,559	101,250,000	21,562,478	131,501,220	102,899	31,373,903	31,476,802	501,415,059	4,351,241	505,766,300
Balance as at November 1, 2018	330,000	215,294,559	101,250,000	21,562,478	131,501,220	102,899	31,373,903	31,476,802	501,415,059	4,351,241	505,766,300
Dividend paid	22, 24	-	-	-	(64,687,368)	-	-	-	(64,687,368)	(2,108,840)	(66,796,208)
Profit (Loss) for the year	-	-	-	-	50,275,468	-	-	-	50,275,468	1,881,475	52,156,943
Other comprehensive income	-	-	-	-	(4,403,227)	51,531	-	51,531	(4,351,696)	73,457	(4,278,239)
Ending balance, October 31, 2019	330,000	215,294,559	101,250,000	21,562,478	112,686,093	154,430	31,373,903	31,528,333	482,651,463	4,197,333	486,848,796

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

PICO (THAILAND) PUBLIC COMPANY LIMITED, ITS SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED OCTOBER 31, 2019

										UNIT : BAHT	
	Notes	Issued and paid - up share capital		Premium on share capital		Retained Earnings		Land revaluation surplus	Total other components of shareholders' equity	Total shareholders' equity	
		Preferred shares	Ordinary shares	Preferred shares	Ordinary shares	Appropriated Legal reserve	Unappropriated				
Balance as at November 1, 2017		330,000	215,294,559	101,250,000	21,562,478	59,994,642	31,373,903	31,373,903	31,373,903	429,805,582	
Dividend paid	22,24	-	-	-	-	(26,953,070)	-	-	-	(26,953,070)	
Profit (Loss) for the year		-	-	-	-	73,319,247	-	-	-	73,319,247	
Other comprehensive income		-	-	-	-	-	-	-	-	-	
Ending balance, October 31, 2018		330,000	215,294,559	101,250,000	21,562,478	106,360,819	31,373,903	31,373,903	31,373,903	476,171,759	
Balance as at November 1, 2018		330,000	215,294,559	101,250,000	21,562,478	106,360,819	31,373,903	31,373,903	31,373,903	476,171,759	
Dividend paid	22, 24	-	-	-	-	(64,687,368)	-	-	-	(64,687,368)	
Profit (Loss) for the year		-	-	-	-	67,705,717	-	-	-	67,705,717	
Other comprehensive income		-	-	-	-	(4,724,013)	-	-	-	(4,724,013)	
Ending balance, October 31, 2019		330,000	215,294,559	101,250,000	21,562,478	104,655,155	31,373,903	31,373,903	31,373,903	474,466,095	

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED OCTOBER 31, 2019

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (Loss) before income tax expenses		64,776,240	97,046,856	74,644,391	87,787,827
Adjustments for:					
Employee benefit expenses		16,422,182	988,644	13,265,519	3,063,543
Depreciation and amortization		20,443,285	24,838,688	16,231,764	20,998,872
Doubtful accounts and bad debt		(5,243,000)	117,267	(5,243,000)	117,267
Write off withholding tax deducted at source		2,045,555	191,120	2,041,794	187,328
(Profits) losses on sale of fixed assets		(1,909,394)	(981,304)	(1,909,394)	(981,304)
Loss on disposal of fixed assets		505,512	1	505,304	1
Unrealized (gain) loss on exchange rate		(25,474)	(26,755)	(25,474)	(20,910)
Dividend income		(1,183,920)	-	(46,731,321)	(18,165,696)
Share of losses (profits) from investments using the equity method		(3,839,520)	(4,615,955)	-	-
Interest expenses		699,199	744,190	569,846	645,138
Profit (Loss) from operations before changes in operating assets and liabilities		92,690,665	118,302,752	53,349,429	93,632,066
Operating assets (increase) decrease					
Current investments		(2,903)	(2,877)	-	-
Trade accounts receivable and other current receivables		2,870	(959,575)	(1,132,861)	(34,647,561)
The gross amount due from customers for contract work		(38,496,931)	(94,211,069)	(25,808,968)	(102,445,487)
Deferred cost of the rendering of services		(10,621,618)	8,527,370	(9,279,435)	6,318,416
Other Non-current assets		2,543,830	21,437,172	675,000	(1,320,000)
Operating liabilities increase (decrease)					
Trade accounts payable and other current payables		(188,341,308)	160,351,269	(82,495,593)	145,116,319
Employee benefit obligations		(147,800)	(5,725,786)	(42,000)	(5,704,236)
Cash received (paid for) from operations		(142,373,195)	207,719,256	(64,734,428)	100,949,517

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

PICO (THAILAND) PUBLIC COMPANY LIMITED, ITS SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED OCTOBER 31, 2019

UNIT : BAHT					
Notes	CONSOLIDATED		SEPARATE		
	2019	2018	2019	2018	
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Interest paid	(699,199)	(744,190)	(569,846)	(645,138)	
Refunds of income taxes	25,921,610	19,769,014	24,403,418	17,365,595	
Income tax paid	(34,283,815)	(40,586,483)	(26,803,672)	(31,886,430)	
Net cash provided by (used in) operating activities	(151,434,599)	186,157,597	(67,704,528)	85,783,544	
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payment for purchase of fixed assets	(12,369,126)	(9,006,556)	(6,767,929)	(3,063,684)	
Cash payment for purchase of intangible assets	(249,580)	(333,242)	(240,200)	(326,252)	
Cash received from sale of fixed assets	1,914,953	981,308	1,914,953	981,308	
Purchase of other investments	(1,900,000)	-	-	-	
Dividend received	1,183,920	493,300	37,331,583	8,942,220	
Dividend received from investments using the equity method	2,983,332	1,698,364	-	-	
Net cash provided by (used in) investing activities	(8,436,501)	(6,166,826)	32,238,407	6,533,592	
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received (paid) for bank overdrafts and short-term loan from financial institutions	(9,500,000)	5,500,000	-	-	
Cash payment for liabilities under finance lease	(2,659,222)	(3,293,128)	(2,659,222)	(3,293,128)	
Dividend paid	(64,687,368)	(26,953,070)	(64,687,368)	(26,953,070)	
Dividend paid non-controlling interests of the subsidiaries	(1,906,860)	(2,400,968)	-	-	
Net cash provided by (used in) financing activities	(78,753,450)	(27,147,166)	(67,346,590)	(30,246,198)	
Increase (Decrease) in cash and cash equivalents	(238,624,550)	152,843,605	(102,812,711)	62,070,938	
Translation adjustments	51,531	76,897	-	-	
Net increase (decrease) in cash and cash equivalents	(238,573,019)	152,920,502	(102,812,711)	62,070,938	
Cash and cash equivalents as at the beginning of period	446,671,940	293,751,438	208,099,680	146,028,742	
Cash and cash equivalents as at the end of year	4.1	208,098,921	446,671,940	105,286,969	208,099,680

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

PICO (THAILAND) PUBLIC COMPANY LIMITED, ITS SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED OCTOBER 31, 2019

1. OPERATIONS OF THE COMPANY AND ITS SUBSIDIARIES

Pico (Thailand) Public Company Limited is a public company incorporated and domiciled in Thailand. The information of business and locations of the Company and its subsidiaries are as follows:

Name	Registered date	Business type	Location
Pico (Thailand) Public Company Limited	March 27, 1992	Meeting, Incentive, Convention, and Exhibition (MICE) management and services, event marketing and branding, and knowledge communication, as well as production and distribution in form of digital content and media	10 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
Direct subsidiaries			
PX System Company Limited	February 23, 1995	Fabrication of booths in trade shows and exhibitions as well as rental of all related equipment	79/90 Moo 12, Bangna-Trad Rd., Bangkaew, Bangplee, Samutprakarn
Nox Bangkok Company Limited	March 12, 1996	Public relation activities, event marketing and knowledge communication	10 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
Multi Designs Company Limited	April 19, 1995	Design and decoration of booths in trade shows and exhibitions as well as interior design and other related businesses	10 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
TCBN Company Limited	February 25, 2010	Knowledge communication including production and distribution of digital content and media	10 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
FCG Company Limited	June 10, 2010	Knowledge communication including production and distribution of digital content and media	10 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
Andrew Bethell Associates Limited.	February 4, 2011	Distribution of education content	1 st Floor Bristol & West House, 100 Crossbrook Street, Cheshunt, Herts EN8 8JJ
2010 Media Company Limited	March 16, 2010	Museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	18 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
Indirect subsidiaries			
GKE Company Limited* (Formerly GKE Joint Venture Company Limited)	November 2, 2012	Museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	18 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
NXH Joint Venture Company Limited	May 25, 2018	Building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	10 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok
G&S Joint Venture Company Limited	August 23, 2019	Building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	18 Soi Lasalle 56 Sukhumvit Rd., Bangna Tai, Bangna, Bangkok

* On August 22, 2019, GKE Joint Venture Company Limited registered the change of its name to GKE Company Limited.

The major shareholder of Pico (Thailand) Public Company Limited is Pico Art International Pte Ltd. which was incorporated in Singapore. The Company became listed on the Market for Alternative Investment on April 20, 2004.

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2.1 The financial statements have been prepared in compliance with Thai Financial Reporting Standards (TFRS) according to the Accounting Act B.E. 2543 and presented in accordance with the notification of the Department of Business Development, the Ministry of Commerce dated October 11, 2016, regarding the condensed form which should be included in the financial statements B.E. 2559. and applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis for measuring the components of financial statements except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements incorporate the financial statements of Pico (Thailand) Public Company Limited and its subsidiary companies as follows:

	Country of incorporation	Currency	Paid-up share capital		Percentage of shareholding by the group	
			2019	2018	2019	2018
			(Unit: Baht)		Percent	Percent
Direct subsidiaries						
PX System Company Limited	Thailand	Baht	11,000,000	11,000,000	90.00	90.00
Nox Bangkok Company Limited	Thailand	Baht	10,000,000	10,000,000	99.99	99.99
Multi Designs Company Limited	Thailand	Baht	4,000,000	4,000,000	59.99	59.99
TCBN Company Limited	Thailand	Baht	10,000,000	10,000,000	99.99	99.99
FCG Company Limited	Thailand	Baht	3,000,000	3,000,000	99.99	99.99
Andrew Bethell Associates Limited	England	Pound sterling	100	100	75.00	75.00
2010 Media Company Limited	Thailand	Baht	5,000,000	5,000,000	99.99	99.99
Indirect subsidiaries						
GKE Company Limited	Thailand	Baht	5,000,000	5,000,000	98.99	98.99
NXH Joint Venture Company Limited	Thailand	Baht	1,000,000	1,000,000	93.97	93.97
G&S Joint Venture Company Limited	Thailand	Baht	1,250,000	-	94.99	-

The subsidiaries are those companies in which the Company and its subsidiaries holds both direct and indirect voting rights and has significant control of their activities.

The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

2.2 Basis of consolidation (continued)

- b) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the effective date when such control ceases.
- c) The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent significant accounting policies.
- d) The financial statements of overseas subsidiaries are translated into Thai Baht at the exchange rate ruling at the statements of financial position date as to assets and liabilities and at the average exchange rate for the period as to revenues and expenses. The resultant differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in other comprehensive income.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements. Book value of investments and shareholder’s equity of its subsidiaries have also been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements, which present investments in subsidiaries, associated companies, and joint ventures under the cost method, have been prepared solely for the benefit of the public.

2.4 The financial statements of the overseas subsidiaries for the year ended October 31, 2019 included in the consolidated financial statements were prepared by the management of such subsidiary and have not been audited by its auditors. Its aggregate assets as at October 31, 2019 were approximately Baht 0.34 million or 0.04 % of total assets in the consolidated financial statements.

2.5 New and revised financial reporting standard

During the year, the Company and its subsidiaries have adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries’ financial statements.

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

2.6 Financial Reporting Standards becoming effective in the future

The Federation of Accounting Professions issued 53 financial reporting standards, which will become effective for the fiscal year beginning on or after January 1, 2019, and 56 financial reporting standards, which will become effective for the fiscal year beginning on or after January 1, 2020. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision and guidance for the disclosure of the notes to financial statements except the financial reporting standard TFRS 15 Revenue from Contracts with Customers which is effective for fiscal years beginning on or after 1 January 2019 and a set of 5 standards related to financial instruments and TFRS 16 Leases, which are effective for fiscal years beginning on or after 1 January 2020. Key principles of these standards are summarised below.

Financial Reporting Standards that become effective for the accounting periods beginning on or after January 1, 2019.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The Company and its subsidiaries have no plan to adopt and apply such financial reporting standard before effective date and have expected that there will not have any significant impact on the financial statements in the period of initial application.

Financial reporting standards which will be effective for the fiscal year beginning on or after January 1, 2020 onwards

Thai Financial Reporting Standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations as follow:

Financial reporting standards	Contents
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
Accounting standards	Contents
TAS 32	Financial Instruments: Presentation
Financial reporting standard Interpretations	Contents
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

2.6 Financial Reporting Standards becoming effective in the future (continued)

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards to the financial statements in the year when it is initially applied.

Apart from the financial reporting standards above, on November 26, 2019, 10 accounting standards/ financial reporting standards/ interpretations and 1 accounting guidance has been announced in the Royal Gazette. The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

3. SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies

3.1 Revenues and expenses recognition

Service income is recognized by the percentage of completion method. The percentage of completion is measured by the proportion of actual costs incurred up to the end of the year and total anticipated contract cost.

Revenues from organizing trade shows, exhibitions and entertainment events are recognized on the opening date of the events.

Revenues from rendering of services relating to knowledge communication business are recognized according to works delivered to customers and presented by net amount of directly related transactions from subsidiaries.

Rental income recognized according to the duration of the lease and the rate determined in the contract.

Dividend income is recognized as income when the dividends are declared.

Other income and expenses are recognized on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and deposits at banks and all highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

3.3 Investments in debt securities

Investments in debt securities expected to be held to maturity are recorded at amortized cost. The difference between the acquisition cost and redemption value of such debt securities is amortized using the effective interest rate method over the year to maturity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the estimated collection losses on receivables based on the Company's collection experience together with a review of the financial position of each debtor.

3.5 Deferred cost of the rendering of services

Deferred cost of the rendering of services consists of costs incurred relating to services and is presented at invoice amount.

Deferred cost of the rendering of other services, which are not organizing trade shows, exhibitions and entertainment events, is recognized as cost of the rendering of services when service is rendered following the agreement made with customers.

Deferred cost of the rendering for organizing trade shows, exhibitions and entertainment events is recognized on opening date of the events.

3.6 Investments in subsidiaries, associates, joint ventures and other companies

Investments in subsidiaries, associates, joint ventures and other companies are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method.

Investments in other companies are general investments stated at cost.

3.7 Property, plant and equipment

Land is stated at the revalued amount.

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to fair values of land used in operation. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

If a revaluation results in an increase in value, the revaluation increase is recognized to other comprehensive income and accumulated in equity under the heading "revaluation surplus". In case it represents the reversal of a revaluation decrease of the same asset previously recognized as an expense, the revaluation increase would be recognized in profit or loss not greater than the amount of expense previously recognized.

A decrease arising as a result of a revaluation is recognized in profit or loss to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset.

Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and building improvement	6 - 20 years
Operating equipment	3 - 5 years
Others	3 - 5 years

Depreciation is included in profit or loss.

No depreciation is provided for land, construction in progress and equipment under installation.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the assets is derecognized.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Intangible assets

Intangible assets, consisting of computer software and copyright, are stated at cost less accumulated amortization and impairment loss (if any).

Amortization is calculated on the straight-line basis over the estimated useful life of 3 - 10 years.

3.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

Related parties also include associated companies and individuals who have significant influence over the Company and its subsidiaries, key management personnel, directors and officers with authority in the planning and direction of the Company and its subsidiaries' operations.

3.10 Long-term leases

Finance lease

Leases of assets which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The asset acquired under finance leases is depreciated over the useful life of the asset.

Operating lease

Leases of assets which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized as an expense in profit or loss on a straight-line basis over the lease term. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

3.11 Foreign currency transactions

Transactions denominated in foreign currencies during the year are translated into Thai Baht at the rates of exchange prevailing at the transaction dates. All balances of monetary assets and liabilities denominated in foreign currencies at the statements of financial position date are translated into Thai Baht at the exchange rates announced by the Bank of Thailand at that date.

Gains or losses on foreign exchange are recognized as income or expense in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Impairment of assets

At each reporting date, the Company and its subsidiaries performs impairment reviews in respect of the plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognized in profit or loss. However, in cases where assets were previously revalued and the revaluation increase was taken to equity under "revaluation surplus", a part of such impairment would be recognized in equity up to the amount of the previously recognized revaluation surplus. Any excess amount is recognized as an expense in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

3.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses as incurred.

Post-employment benefits

Defined contribution plans

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed by employees and by the Company and subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognized as expenses as incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Employee benefits (continued)

Other long-term employee benefits

Certain employees of the Company and its subsidiaries are entitled to jubilee awards. Jubilee awards are paid to employees upon completion of a certain number of years of service.

The obligation of other long-term employee benefits is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term employee benefits are recognized immediately in profit or loss.

3.14 Provisions

Provisions are recognized when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measures fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on category of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of inputs other than quoted market prices included within Level 1 that are observable for such assets or liabilities, either directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

3.16 Significant accounting judgments and estimates

The preparation of financial statements in conformity with Financial Reporting Standard also requires the Company's and subsidiaries' management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting year. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Significant judgments and estimates are allowance for doubtful accounts, depreciation, amortization, deferred tax assets and post-employment benefits under defined benefit plans.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.17 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred income tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity

3.18 Basic earnings per share

Basic earnings per share are calculated by dividing income for the year attributable to the parent company after cash dividend or dividend, which has been declared for preferred shares, by the weighted average number of ordinary shares outstanding during the year.

4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION AND CASH EQUIVALENTS

4.1 Cash and cash equivalents consist of cash on hand and all types of deposits at financial institutions with original maturities of three months or less and current investments with original maturities of three months or less but exclude deposits at financial institutions used as collateral. Cash and cash equivalents as at October 31, 2019 and 2018 are as follows:

Unit : Baht				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Cash and deposits at financial institutions	208,098,921	446,671,940	105,286,969	208,099,680
Total	208,098,921	446,671,940	105,286,969	208,099,680

4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION AND CASH EQUIVALENTS (CONTINUED)

4.2 Non-cash transactions

Fixed assets and intangible assets payable are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Fixed assets and intangible assets payable brought forward	1,489,247	524,056	634,474	273,253
Purchases of fixed assets and intangible assets	17,038,586	13,580,289	11,591,641	7,026,457
Less Cash payments for purchase of fixed assets and intangible assets	(12,618,706)	(9,339,798)	(7,008,129)	(3,389,934)
Purchases of fixed assets by hire-purchasing agreement	(2,077,500)	(3,275,300)	(2,077,500)	(3,275,300)
Fixed assets and intangible assets payable carried forward	3,831,627	1,489,247	3,140,486	634,476

Unit : Baht

5. CURRENT INVESTMENTS

As at October 31, 2019 and 2018, the subsidiaries have current deposits due on maturity date as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Current deposits due on maturity date	328,716	325,813	-	-

Unit : Baht

6. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT RECEIVABLES

6.1 Trade accounts receivable and other current receivables as at October 31, 2019 and 2018 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Trade accounts receivable				
- Related parties (See Note 24)	7,460,987	5,578,196	21,773,263	11,240,708
- Others	175,676,049	171,643,057	156,324,950	164,042,356
Total trade accounts receivable	183,137,036	177,221,253	178,098,213	175,283,064
Less Allowance for doubtful accounts	-	(5,243,000)	-	(5,243,000)
Total trade accounts receivable - net	183,137,036	171,978,253	178,098,213	170,040,064
Other current receivables				
- Other receivable related parties (See Note 24)	41,379	40,890	6,123,170	6,429,289
- Prepaid expenses	6,532,914	4,585,528	5,444,471	3,627,948
- Advance payment	7,090,206	6,583,798	6,342,071	5,862,042
- Dividend receivable	-	-	26,498,770	17,099,032
- Withholding tax deducted at source	60,607,733	69,690,389	51,367,474	60,859,825
- Deferred input vat	8,868,115	14,313,718	6,939,485	10,158,277
- Others	14,316,481	17,243,844	7,836,425	8,290,387
Total other current receivables	97,456,828	112,458,167	110,551,866	112,326,800
Total trade accounts receivable and other current receivables - net	280,593,864	284,436,420	288,650,079	282,366,864

Unit : Baht

6. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT RECEIVABLES (CONTINUED)

6.2 Analysis of trade accounts receivable aging is as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Related parties				
Undue	3,638,442	1,407,599	12,205,569	7,070,111
Overdue				
Within 3 months	1,622,545	1,853,097	5,869,694	1,853,097
Between 3 and 6 months	-	21,500	-	21,500
Between 6 and 12 months	-	96,000	1,498,000	96,000
More than 12 months	2,200,000	2,200,000	2,200,000	2,200,000
Total Trade accounts receivable related parties	7,460,987	5,578,196	21,773,263	11,240,708
Others				
Undue	103,153,841	64,154,836	84,618,297	57,003,259
Overdue				
Within 3 months	71,163,866	101,723,190	70,348,311	101,723,190
Between 3 and 6 months	137,635	72,907	137,635	72,907
Between 6 and 12 months	1,147,800	-	1,147,800	-
More than 12 months	72,907	5,692,124	72,907	5,243,000
	175,676,049	171,643,057	156,324,950	164,042,356
<u>Less</u> Allowance for doubtful accounts	-	(5,243,000)	-	(5,243,000)
Total trade accounts receivable others - net	175,676,049	166,400,057	156,324,950	158,799,356
Total trade accounts receivable - net	183,137,036	171,978,253	178,098,213	170,040,064

In 2010, the Company filed the lawsuit against the government agency ("Defendant") to the Administrative Court on breach of contract with the claim for damages of Baht 5,243,000.

On December 21, 2018, the Supreme Administrative Court had the final judgement that Defendant must make a payment to the Company in the amount of Baht 5,243,000 with the interest at rate 7.5% per year of such amount starting from the date of filing the plaint until the payment is made in full. The payment must be made within the period of 60 days starting from the date of final judgement. Additionally, Defendant must return the Company the letter of guarantee of Baht 374,500.

On May 29, 2019, the Company received such payment in full from the defendant.

With the above event, the Company reversed the allowance for doubtful accounts of such account receivable against the administrative expenses of Baht 5,243,000. And the interest income from the lawsuit of Baht 3,722,170.89 was recorded as other income in profit or loss.

7. THE GROSS AMOUNT DUE FROM CUSTOMERS FOR CONTRACT WORK

The gross amount due from customers for contract work is as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
The gross amount due from customers for contract work				
- Related parties (See Note 24)	12,364,065	-	11,824,065	700,000
- Others	199,937,616	173,804,750	184,034,898	169,349,994
Total	212,301,681	173,804,750	195,858,963	170,049,994

8. DEFERRED COST OF THE RENDERING OF SERVICE

Deferred cost of the rendering of services consists of cost of services related to event marketing, exhibition, museum exhibits, knowledge communication, and others. Deferred cost of the rendering of service as at October 31, 2019 and 2018 is as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Deferred cost of the rendering of services				
- Related parties (See Note 24)	27,378	75,168	9,948,171	11,831,350
- Others	55,669,363	44,999,955	37,460,908	26,298,295
Total	55,696,741	45,075,123	47,409,079	38,129,645

9. INVESTMENTS IN SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Investments in associated companies and joint ventures using the equity method for the consolidated financial statements and investments in subsidiaries, associated companies and joint ventures using cost method for the separate financial statements (See Note 24) are as follows:

COMPANY'S NAME	BUSINESS TYPE	PORTION OF INVESTMENTS						CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		PAID-UP CAPITAL				%	EQUITY METHOD		COST METHOD		
		Currency	2019	2018	2019	2018	2019	2018	2019	2018	
Direct subsidiaries											
PX System Company Limited	Fabrication of booths in trade shows and exhibitions as well as rental of all related equipment	Baht	11,000,000	11,000,000	90.00	90.00	-	-	12,750,714	12,750,714	
Nox Bangkok Company Limited	Public relation activities, event marketing and knowledge communication	Baht	10,000,000	10,000,000	99.99	99.99	-	-	10,298,600	10,298,600	
Multi Designs Company Limited	Design and decoration of booths in trade shows and exhibitions as well as interior design and other related businesses	Baht	4,000,000	4,000,000	59.99	59.99	-	-	2,520,000	2,520,000	
TCBN Company Limited	Knowledge communication including production and distribution of digital content and media	Baht	10,000,000	10,000,000	99.99	99.99	-	-	9,999,700	9,999,700	
FCG Company Limited	Knowledge communication including production and distribution of digital content and media	Baht	3,000,000	3,000,000	99.99	99.99	-	-	2,999,700	2,999,700	
Andrew Bethell Associates Limited	Distribution of education content	Pound sterling	100	100	75.00	75.00	-	-	971,000	971,000	
2010 Media Company Limited	Museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	Baht	5,000,000	5,000,000	99.99	99.99	-	-	4,999,800	4,999,800	
Indirect subsidiaries (held by 2010 Media Company Limited)											
GKE Company Limited	Museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	Baht	5,000,000	5,000,000	98.99	98.99	-	-	-	-	

9. INVESTMENTS IN SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONTINUED)

COMPANY'S NAME	BUSINESS TYPE	Unit : Baht									
		PORTION OF INVESTMENTS					SEPARATE FINANCIAL STATEMENTS				
		PAID-UP CAPITAL		%		EQUITY METHOD		COST METHOD			
Currency	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
Indirect subsidiaries (continued)											
(held by Nox Bangkok Company Limited)											
NXH Joint Venture Company Limited	Building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	Baht	1,000,000	1,000,000	93.97	93.97	-	-	-	-	
(held by GKE Company Limited)											
G&S Joint Venture Company Limited*	Building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related businesses	Baht	1,250,000	-	94.99	-	-	-	-	-	
Associated companies - Direct											
Inkjet Images (Thailand) Company Limited	Graphic design and inkjet printing	Baht	6,000,000	6,000,000	22.22	22.22	6,554,971	6,622,632	3,922,033	3,922,033	
Ibrix Company Limited	The organizer of trade shows and exhibitions, event marketing and related businesses	Baht	5,000,000	5,000,000	40.00	40.00	3,331,329	2,853,325	1,999,800	1,999,800	
FiftyPlus Asia Co.,Ltd.	The organizer of trade shows and exhibitions, event marketing and related businesses	Baht	15,000,000	15,000,000	45.00	45.00	-	-	6,749,700	6,749,700	
Associated company - Indirect											
(Equity held by PX System Company Limited)											
U-Rent Company Limited	Furniture and equipment rental	Baht	2,000,000	2,000,000	22.50	22.50	13,026,917	12,577,120	-	-	
Joint Ventures											
Joint Venture of group of consultant project A-Seven Pico	Consulting services and museum design	Baht	2,300,000	2,300,000	40.00	40.00	865,024	868,975	920,000	920,000	
Total investments in subsidiaries, associated companies and joint ventures							23,778,241	22,922,052	58,131,047	58,131,047	

* On August 23, 2019, GKE Company Limited, the subsidiary of the Company, invested in a new-registered company, namely G&S Joint Venture Co., Ltd. to provide building design, construction, museum design and decoration services including all kinds of exhibition design and fabrication and other related business. Such company has registered capital of Baht 5,000,000 consisting of 50,000 ordinary shares with par value of Baht 100 per share and paid-up capital of Baht 25 per share. GKE Company Limited acquired 47,497 common shares of G&S Joint Venture Co. Ltd., accounted for 94.99% of its registered and paid up capital, totaling Baht 1,187,425.

10. Other long-term investments

Other long-term investments are as follows:

COMPANY'S NAME	BUSINESS TYPE	PORTION OF INVESTMENTS						CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		Unit : Baht
		PAID-UP CAPITAL			%	COST METHOD		COST METHOD	COST METHOD			
		Currency	2019	2018		2019	2018			2019	2018	
Other company – Direct												
Asia Exhibition Services Co., Ltd.	The organizer of trade shows and exhibitions, event marketing and related businesses	Baht	12,000,000	12,000,000	19.99	19.99	2,398,800	2,398,800	2,398,800	2,398,800	2,398,800	
Other Companies – Indirect (Equity held by PX System Company Limited)												
UTEX Services Co., Ltd.	Consulting services for engineering and architecture, design and construction management	Baht	5,000,000	5,000,000	4.23	4.23	1,265,384	1,265,384	-	-	-	
A Plus Utility Management Co., Ltd.	Consulting services for engineering and architecture, design and construction management	Baht	5,700,000	5,700,000	17.31	17.31	1,279,762	1,279,762	-	-	-	
UTEX North Co., Ltd.	Distribution and installation of electricity system, water supply system and air-conditioning system	Baht	1,100,000	1,100,000	12.73	12.73	140,000	140,000	-	-	-	
(Equity held by Multi Designs Company Limited)												
MET Joint Venture Co., Ltd.	Museum design and decoration services including all kinds of exhibition design and fabrication	Baht	1,000,000	1,000,000	18.98	18.98	189,800	189,800	-	-	-	
(Equity held by Nox Bangkok Company Limited)												
BigSmile World Co., Ltd.*	The organizer of exhibitions and event marketing, media and publication and other related businesses	Baht	10,000,000	-	19.00	-	1,900,000	-	-	-	-	
Total long term investments												
Less Allowance for impairment loss — UTEX Services Co., Ltd.							7,173,746	5,273,746	2,398,800	2,398,800	2,398,800	
Allowance for impairment loss — UTEX North Co., Ltd.							(1,265,384)	(1,265,384)	-	-	-	
Total long term investments - net							5,768,362	3,868,362	2,398,800	2,398,800	2,398,800	

* On March 18, 2019, Nox Bangkok Company Limited, the subsidiary of the Company, invested in a new-registered company, namely BigSmile World Co., Ltd. to provide exhibition, event marketing, organizer, publication, media and other related business. Such company has registered capital of Baht 10,000,000 consisting of 100,000 ordinary shares with par value of Baht 100 per share. Nox Bangkok Company Limited acquired 19,000 common shares of BigSmile World Co., Ltd., accounted for 19.00% of its registered and paid up capital, at Baht 100 per share, totaling Baht 1,900,000.

11. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at November 1, 2018	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2019
Cost and appraisal value:					
Land - at cost	15,782,621	-	-	-	15,782,621
Land - appraisal increase	39,217,379	-	-	-	39,217,379
Land improvement	445,025	-	-	-	445,025
Improvements from the lease of land	727,602	-	-	-	727,602
Buildings and improvement	124,018,720	1,876,777	(2,775,111)	5,920,248	129,040,634
Vehicles	28,887,016	2,770,000	(6,447,886)	-	25,209,130
Office equipments	20,307,612	484,403	(1,438,502)	465,537	19,819,050
Computers	44,123,458	2,688,811	(6,702,145)	2,763	40,112,887
Tools and machineries	3,057,386	-	(10,500)	-	3,046,886
Office furniture	16,543,547	804,184	(321,470)	-	17,026,261
Operating equipments	73,096,554	3,433,508	(630,150)	414,680	76,314,592
Total cost and appraisal value	366,206,920	12,057,683	(18,325,764)	6,803,228	366,742,067
Accumulated depreciation:					
Land improvement	(445,024)	-	-	-	(445,024)
Improvements from the lease of land	(727,595)	-	-	-	(727,595)
Buildings and improvement	(79,471,766)	(8,383,003)	2,490,062	-	(85,364,707)
Vehicles	(16,214,248)	(3,868,920)	6,447,884	-	(13,635,284)
Office equipments	(17,786,197)	(1,388,633)	1,438,395	-	(17,736,435)
Computers	(41,270,435)	(2,050,269)	6,696,280	-	(36,624,424)
Tools and machineries	(2,155,533)	(4,117)	10,495	-	(2,149,155)
Office furniture	(13,953,302)	(959,941)	321,432	-	(14,591,811)
Operating equipments	(70,875,460)	(2,005,694)	630,145	-	(72,251,009)
Total accumulated depreciation	(242,899,560)	(18,660,577)	18,034,693	-	(243,525,444)
Assets under construction	6,026,258	4,740,224	-	(6,803,228)	3,963,254
Property, plant and equipment - net	129,333,618				127,179,877

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at November 1, 2017	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2018
Cost and appraisal value:					
Land - at cost	15,782,621	-	-	-	15,782,621
Land - appraisal increase	39,217,379	-	-	-	39,217,379
Land improvement	445,025	-	-	-	445,025
Improvements from the lease of land	727,602	-	-	-	727,602
Buildings and improvement	124,018,720	-	-	-	124,018,720
Vehicles	26,654,842	4,679,000	(2,446,826)	-	28,887,016
Office equipments	19,998,312	309,300	-	-	20,307,612
Computers	42,346,574	1,776,884	-	-	44,123,458
Tools and machineries	3,057,386	-	-	-	3,057,386
Office furniture	16,112,942	430,605	-	-	16,543,547
Operating equipments	74,164,026	-	(1,067,472)	-	73,096,554
Total cost and appraisal value	362,525,429	7,195,789	(3,514,298)	-	366,206,920
Accumulated depreciation:					
Land improvement	(445,024)	-	-	-	(445,024)
Improvements from the lease of land	(727,595)	-	-	-	(727,595)
Buildings and improvement	(72,266,386)	(7,205,380)	-	-	(79,471,766)
Vehicles	(14,471,463)	(4,189,607)	2,446,822	-	(16,214,248)
Office equipments	(16,390,278)	(1,395,919)	-	-	(17,786,197)
Computers	(37,764,289)	(3,506,146)	-	-	(41,270,435)
Tools and machineries	(2,150,636)	(4,897)	-	-	(2,155,533)
Office furniture	(13,034,376)	(918,926)	-	-	(13,953,302)
Operating equipments	(66,322,712)	(5,620,219)	1,067,471	-	(70,875,460)
Total accumulated depreciation	(223,572,759)	(22,841,094)	3,514,293	-	(242,899,560)
Assets under construction	24,000	6,002,258	-	-	6,026,258
Property, plant and equipment - net	138,976,670				129,333,618

Depreciation for the year:

2019	18,660,577
2018	22,841,094

Cost of fully depreciated fixed assets still in use:

2019 The gross carrying amount (before deducting accumulated depreciation)	183,352,634
2018 The gross carrying amount (before deducting accumulated depreciation)	193,549,191

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Unit : Baht

SEPARATE FINANCIAL STATEMENTS					
	Balance as at November, 1 2018	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2019
Cost and appraisal value:					
Land - at cost	15,782,621	-	-	-	15,782,621
Land - appraisal increase	39,217,379	-	-	-	39,217,379
Land improvement	445,025	-	-	-	445,025
Improvements from the lease of land	727,602	-	-	-	727,602
Buildings and improvement	120,344,249	1,581,910	(485,000)	-	121,441,159
Vehicles	28,264,017	2,770,000	(6,447,886)	-	24,586,131
Office equipments	17,482,930	283,092	(604,888)	(31,963)	17,129,171
Computers	34,661,129	2,246,876	(4,914,753)	31,963	32,025,215
Tools and machineries	231,969	-	(10,500)	-	221,469
Office furniture	13,723,517	539,209	(160,111)	-	14,102,615
Operating equipments	21,944,661	-	(20,533)	-	21,924,128
Total cost and appraisal value	292,825,099	7,421,087	(12,643,671)	-	287,602,515
Accumulated depreciation:					
Land improvement	(445,024)	-	-	-	(445,024)
Land appraisal increase	(727,595)	-	-	-	(727,595)
Buildings and improvement	(75,797,308)	(7,347,150)	199,957	-	(82,944,501)
Vehicles	(15,591,251)	(3,868,920)	6,447,884	-	(13,012,287)
Office equipments	(15,204,673)	(1,069,781)	604,869	10,800	(15,658,785)
Computers	(32,521,314)	(1,662,859)	4,908,980	(10,800)	(29,285,993)
Tools and machineries	(222,512)	(2,807)	10,495	-	(214,824)
Office furniture	(11,993,024)	(936,586)	160,089	-	(12,769,521)
Operating equipments	(21,883,230)	(61,408)	20,533	-	(21,924,105)
Total accumulated depreciation	(174,385,931)	(14,949,511)	12,352,807	-	(176,982,635)
Assets under construction	24,000	3,939,254	-	-	3,963,254
Property, plant and equipment - net	118,463,168				114,583,134

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Unit : Baht

SEPARATE FINANCIAL STATEMENTS					
	Balance as at November, 1 2017	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2018
Cost and appraisal value:					
Land - at cost	15,782,621	-	-	-	15,782,621
Land - appraisal increase	39,217,379	-	-	-	39,217,379
Land improvement	445,025	-	-	-	445,025
Improvements from the lease of land	727,602	-	-	-	727,602
Buildings and improvement	120,344,249	-	-	-	120,344,249
Vehicles	26,031,843	4,679,000	(2,446,826)	-	28,264,017
Office equipments	17,191,300	291,630	-	-	17,482,930
Computers	33,406,649	1,254,480	-	-	34,661,129
Tools and machineries	231,969	-	-	-	231,969
Office furniture	13,297,422	426,095	-	-	13,723,517
Operating equipments	23,012,131	-	(1,067,470)	-	21,944,661
Total cost and appraisal value	289,688,190	6,651,205	(3,514,296)	-	292,825,099
Accumulated depreciation:					
Land improvement	(445,024)	-	-	-	(445,024)
Land appraisal increase	(727,595)	-	-	-	(727,595)
Buildings and improvement	(68,591,928)	(7,205,380)	-	-	(75,797,308)
Vehicles	(13,848,819)	(4,189,254)	2,446,822	-	(15,591,251)
Office equipments	(14,012,652)	(1,192,021)	-	-	(15,204,673)
Computers	(29,734,174)	(2,787,140)	-	-	(32,521,314)
Tools and machineries	(218,951)	(3,561)	-	-	(222,512)
Office furniture	(11,155,679)	(837,345)	-	-	(11,993,024)
Operating equipments	(19,567,165)	(3,383,535)	1,067,470	-	(21,883,230)
Total accumulated depreciation	(158,301,987)	(19,598,236)	3,514,292	-	(174,385,931)
Assets under construction	24,000	-	-	-	24,000
Property, plant and equipment - net	131,410,203				118,463,168

Depreciation for the year:

2019	14,949,511
2018	19,598,236

Cost of fully depreciated fixed assets still in use:

2019 The gross carrying amount (before deducting accumulated depreciation)	129,373,354
2018 The gross carrying amount (before deducting accumulated depreciation)	135,123,766

12. ASSET REVALUATION

Land of the Company is stated at the revalued amount.

Land revaluation by an independent professional appraiser is made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period. Last revaluation was made by the independent appraiser on October 31, 2016 using replacement cost approach. The revalued amount was Baht 55 million.

13. INTANGIBLE ASSETS

Intangible assets consist of the following:

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at November 1, 2018	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2019
Cost :					
Computer software	26,862,846	240,680	-	-	27,103,526
Total	26,862,846	240,680	-	-	27,103,526
Accumulated amortization :					
Computer software	(18,757,918)	(1,782,709)	-	-	(20,540,627)
Total accumulated amortization	(18,757,918)	(1,782,709)	-	-	(20,540,627)
Intangible assets under transfer	220,000	-	(220,000)	-	-
Intangible assets - net	8,324,928				6,562,899

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at November 1, 2017	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2018
Cost :					
Computer software	26,425,605	337,241	(50,000)	150,000	26,862,846
Total	26,425,605	337,241	(50,000)	150,000	26,862,846
Accumulated amortization :					
Computer software	(16,765,324)	(1,997,594)	5,000	-	(18,757,918)
Total accumulated amortization	(16,765,324)	(1,997,594)	5,000	-	(18,757,918)
Intangible assets under transfer	325,000	45,000	-	(150,000)	220,000
Intangible assets - net	9,985,281				8,324,928

Amortization for the year:

2019	1,782,709
2018	1,997,594

Cost of fully amortized intangible assets still in use:

2019 The gross carrying amount (before deducting accumulated amortization)	9,401,231
2018 The gross carrying amount (before deducting accumulated amortization)	7,207,631

13. INTANGIBLE ASSETS (CONTINUED)

Unit : Baht

SEPARATE FINANCIAL STATEMENTS					
	Balance as at November 1, 2018	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2019
Cost :					
Computer software	19,372,098	231,300	-	-	19,603,398
Total	19,372,098	231,300	-	-	19,603,398
Accumulated amortization :					
Computer software	(13,593,427)	(1,282,253)	-	-	(14,875,680)
Total accumulated amortization	(13,593,427)	(1,282,253)	-	-	(14,875,680)
Intangible assets under transfer	220,000	-	(220,000)	-	-
Intangible assets - net	5,998,671				4,727,718

Unit : Baht

SEPARATE FINANCIAL STATEMENTS					
	Balance as at November 1, 2017	Additions	Disposals	Transfer in (out)	Balance as at October 31, 2018
Cost :					
Computer software	18,941,846	330,252	(50,000)	150,000	19,372,098
Total	18,941,846	330,252	(50,000)	150,000	19,372,098
Accumulated amortization :					
Computer software	(12,197,790)	(1,400,637)	5,000	-	(13,593,427)
Total accumulated amortization	(12,197,790)	(1,400,637)	5,000	-	(13,593,427)
Intangible assets under transfer	325,000	45,000	-	(150,000)	220,000
Intangible assets - net	7,069,056				5,998,671

Amortization for the year:

2019	1,282,253
2018	1,400,637

Cost of fully amortized intangible assets still in use:

2019 The gross carrying amount (before deducting accumulated amortization)	6,935,779
2018 The gross carrying amount (before deducting accumulated amortization)	5,266,989

14. BANK OVERDRAFTS AND SHORT-TERM LOAN FROM FINANCIAL INSTITUTIONS

The Company and its subsidiaries have unused credit facilities for bank overdraft and short-term loan as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Credit facilities	Unused credit facilities	Credit facilities	Unused credit Facilities
2019	246	246	215	215
2018	308	299	275	275

As at October 31, 2019 and 2018, such credit facilities have interest rates at minimum overdraft rate (MOR) - 1.00 to 0.00 % per annum and at minimum lender rate (MLR) - 2.75 to 1.00 % per annum.

As at October 31, 2019 and 2018, the Company has agreements to guarantee loans of its subsidiaries under overdrafts and short-term loan facilities from local banks, totaling Baht 51 million and Baht 53 million.

15. TRADE ACCOUNT PAYABLE AND OTHER CURRENT PAYABLES

Trade accounts payable and other current accounts payable are as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Trade accounts payable				
- Related parties (See Note 24)	5,800,134	7,124,924	9,787,798	13,068,512
- Others	124,137,560	183,309,387	97,378,836	129,641,467
Accrued cost				
- Related parties (See Note 24)	2,631,473	4,505,856	7,377,723	10,959,784
- Others	99,798,246	150,844,538	88,034,744	113,082,750
Total trade accounts payable	232,367,413	345,784,705	202,579,101	266,752,513
Other current payables				
- Other payables related parties (Note 24)	29,436,800	34,546,442	29,436,800	34,546,442
- Accrued expenses related parties (Note 24)	-	-	571,500	363,125
- Accrued expenses	39,017,060	39,911,964	29,051,345	31,098,773
- Deposit from customer related parties (Note 24)	527,476	-	4,039,138	8,342,441
- Deposit from customer	3,800,902	20,823,365	518,400	-
- The gross amount due to customers for contract work related parties (Note 24)	82,064	-	82,064	-
- The gross amount due to customers for contract work	26,266,789	60,612,509	-	1,477,157
- Deferred output vat	13,974,950	13,674,490	11,963,255	11,847,640
- Others	18,990,756	47,263,153	12,947,641	16,776,243
Total other current payables	132,096,797	216,831,923	88,610,143	104,451,821
Total trade accounts payable and other current payables	364,464,210	562,616,628	291,189,244	371,204,334

16. LIABILITIES UNDER FINANCE LEASE

Details of assets leased under finance lease are as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Motors vehicle	19,639,000	23,316,886	19,639,000	23,316,886
<u>Less</u> Accumulated depreciation	(8,079,013)	(10,662,977)	(8,079,013)	(10,662,977)
Book value	11,559,987	12,653,909	11,559,987	12,653,909
The minimum amounts that must be paid for the above finance lease are as follows				
Within 1 year	3,836,290	3,131,084	3,836,290	3,131,084
Over 1 year within 3 years	4,836,661	5,460,842	4,836,661	5,460,842
Over 3 years within 5 years	1,267,856	1,992,461	1,267,856	1,992,461
	9,940,807	10,584,387	9,940,807	10,584,387
<u>Less</u> Future interest	(1,134,741)	(1,196,599)	(1,134,741)	(1,196,599)
Present value of liabilities under finance lease	8,806,066	9,387,788	8,806,066	9,387,788
<u>Less</u> Current portion of liabilities under finance lease	(3,308,034)	(2,588,852)	(3,308,034)	(2,588,852)
Liabilities under finance lease - net	5,498,032	6,798,936	5,498,032	6,798,936

The Company had entered into finance lease agreements with financial institutions and leasing companies for leasing of motor vehicles for use in operation, whereby there is commitment to pay leasing fee on a monthly basis. The terms of the agreements are generally between 4 to 5 years.

17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Employee benefits obligations as at October 31, 2019 and 2018 consist of obligation of severance payments upon employee retirement and other long-term benefits which are as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	Post-employment benefits		Other long-term employee benefits		Total	
	2019	2018	2019	2018	2019	2018
Balance at the beginning of the year	36,121,897	40,632,078	1,966,340	2,193,302	38,088,237	42,825,380
Included in profit or loss:						
Current service cost	3,278,717	2,963,232	270,743	287,310	3,549,460	3,250,542
Interest cost	1,087,734	919,278	42,059	40,614	1,129,793	959,892
Past service cost	11,862,543	(2,905,191)	-	(316,600)	11,862,543	(3,221,791)
Actuarial (gain) loss arising from						
Experience adjustments	-	-	17,416	-	17,416	-
Financial assumptions changes	-	-	(137,030)	-	(137,030)	-
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Experience adjustments	8,195,488	-	-	-	8,195,488	-
Financial assumptions changes	(2,771,193)	-	-	-	(2,771,193)	-
Actual payment	-	(5,487,500)	(147,800)	(238,286)	(147,800)	(5,725,786)
Balance at the end of the year	57,775,186	36,121,897	2,011,728	1,966,340	59,786,914	38,088,237

17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS (CONTINUED)

Unit : Baht

SEPARATE FINANCIAL STATEMENTS						
	Post-employment benefits		Other long-term employee benefits		Total	
	2019	2018	2019	2018	2019	2018
Balance at the beginning of the year	29,582,759	31,303,571	1,280,820	1,253,376	30,863,579	32,556,947
Included in profit or loss:						
Current service cost	2,569,379	2,178,656	175,011	166,126	2,744,390	2,344,782
Interest cost	852,373	694,905	26,892	23,855	879,265	718,760
Past service cost	9,668,113	-	-	-	9,668,113	-
Actuarial (gain)loss arising from						
Experience adjustments	-	-	66,117	-	66,117	-
Financial assumptions changes	-	-	(92,366)	-	(92,366)	-
Included in other comprehensive income:						
Actuarial (gain)loss arising from						
Experience adjustments	8,183,558	-	-	-	8,183,558	-
Financial assumptions changes	(2,278,542)	-	-	-	(2,278,542)	-
Provision for employee benefits	-	893,127	-	54,199	-	947,326
Actual payment	-	(5,487,500)	(42,000)	(216,736)	(42,000)	(5,704,236)
Balance at the end of the year	48,577,640	29,582,759	1,414,474	1,280,820	49,992,114	30,863,579

Post-employment benefit and other long-term employee benefit expenses included in profit or loss was as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Current service cost	16,228,994	3,250,543	13,089,865	2,344,782
Interest cost	193,188	959,892	175,654	718,761
Total expense recognized in profit or loss	16,422,182	4,210,435	13,265,519	3,063,543

17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS (CONTINUED)

Assumptions of provision for Actuarial technique are as follows:

Unit : Percent per annum				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Discount rate	2.9	2.8	2.9	2.8
Salary increase rate	3.0 - 8.0	4.0 - 8.0	3.0 - 8.0	4.0 - 8.0
Employee turnover rate	0.0 - 20.0	0.0 - 20.0	0.0 - 20.0	0.0 - 20.0
Mortality rate	100% of TMO2017* with improving rate 3.0% p.a.	100% of TMO2017* with improving rate 3.0% p.a.	100% of TMO2017* with improving rate 3.0% p.a.	100% of TMO2017* with improving rate 3.0% p.a.

* Reference from TMO2017: Thai Mortality Ordinary Table 2017

On April 5, 2019, The Labor Protection Act (No. 7) B.E. 2562 has been announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from May 5, 2019.

The Company and its subsidiaries recognized the effect of this law amendment by additionally recognizing the past service cost in the consolidated financial statements and separate financial statements for the year ended October 31, 2019 amounting to Baht 11,862,543 and Baht 9,668,113, respectively.

The result of sensitivity analysis for significant assumptions that affect the present value of post-employment benefit and other long-term employee as at October 31, 2019 are summarized below:

Unit : Baht				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(4,889,178)	5,672,792	(3,956,122)	4,577,804
Salary increase rate (1% movement)	5,695,600	(5,000,597)	4,620,171	(4,068,479)
Employee turnover rate (20% movement)	(3,445,402)	4,015,946	(2,736,313)	3178047

MANAGEMENT BENEFIT EXPENSES

For the year ended October 31, 2019 and 2018, the Company and its subsidiaries have expenses for management and director benefits as follows:

Unit : Baht				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Post-employment benefits	5,473,699	1,117,056	3,985,495	751,341
Other long-term employee benefits	4,299	13,413	1,819	3,898
Total	5,477,998	1,130,469	3,987,314	755,239

18. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as at October 31, 2019 consist of the retention deducted from the installment paid to suppliers for long-term projects. This retention will be returned to suppliers after the warranty period ends without work defect.

19. SHARE CAPITAL

The Company's registered share capital comprised ordinary shares and preferred shares.

The preferred shares have the right to receive dividends equal to ordinary shares. The dividend will be calculated from profit earned after the issuance of preferred shares. However, any profit on the appraisal of land, buildings and other assets which existed before the issuance of the preferred shares, will be allocated solely to the ordinary shares.

The preferred shareholders have the right to vote in the shareholder meeting, a ten thousand preferred shares are equivalent to one voting right of a ordinary share. The preferred shares have the right to receive the proportion of their return on investments upon liquidation equal to ordinary shares.

20. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. CAPITAL MANAGEMENT

The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

22. DIVIDENDS PAID

22.1 Dividends declared and paid by the Company

On February 15, 2019, the Company's 2019 Annual General Meeting of Shareholders resolved to pay the dividend from the operating result of the year ended October 31, 2018 at the rate of Baht 0.30 per share for the total eligible shares of 215,624,559 shares totaling Baht 64,687,368 to the shareholders whose names were listed in the Company's registrar book as at February 26, 2019. The company paid such dividend on March 15, 2019.

On February 23, 2018, the Company's 2018 Annual General Meeting of Shareholders resolved to pay the dividend from the operating result of the year ended October 31, 2017 at the rate of Baht 0.125 per share for the total eligible shares of 215,624,559 shares totaling Baht 26,953,070 to the shareholders whose names were listed in the Company's registrar book as at March 9, 2018. The company paid such dividend on March 23, 2018.

22.2 Dividends declared and paid by the subsidiaries

On October 31, 2019, the Board of Directors' meeting of PX System Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 163.64 per share for 110,000 ordinary shares totaling Baht 18,000,000 to the shareholders whose names were listed on the shareholder's register book as at October 31, 2019. The subsidiary will pay such dividend within January 31, 2020.

22. DIVIDENDS PAID (CONTINUED)

22.2 Dividends declared and paid by the subsidiaries (continued)

On October 31, 2019, the Board of Directors' meeting of 2010 Media Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 206 per share for 50,000 ordinary shares totaling Baht 10,300,000 to the shareholders whose names were listed on the shareholder's register book as at July 31, 2019. The subsidiary will pay such dividend within November 29, 2019.

On October 31, 2019, the Board of Directors' meeting of GKE Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 210 per share for 50,000 ordinary shares totaling Baht 10,500,000 to the shareholders whose names were listed on the shareholder's register book as at July 31, 2019. The subsidiary will pay such dividend within November 27, 2019.

On July 30, 2019, the Board of Directors' meeting of 2010 Media Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 390 per share for 50,000 ordinary shares totaling Baht 19,500,000 to the shareholders whose names were listed on the shareholder's register book as at July 31, 2019. The subsidiary paid such dividend on August 30, 2019.

On July 28, 2019, the Board of Directors' meeting of GKE Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 400 per share for 50,000 ordinary shares totaling Baht 20,000,000 to the shareholders whose names were listed on the shareholder's register book as at July 31, 2019. The subsidiary paid such dividend on August 28, 2019.

On October 31, 2018, the Board of Directors' meeting of PX System Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 163.64 per share for 110,000 ordinary shares totaling Baht 18,000,000 to the shareholders whose names were listed on the shareholder's register book as at October 31, 2018. The subsidiary paid such dividend on January 31, 2019.

On October 31, 2018, the Board of Directors' meeting of Multi Designs Company Limited (subsidiary) passed a resolution for an interim dividend payment of Baht 37.50 per share for 40,000 ordinary shares totaling Baht 1,500,000 to the shareholders whose names were listed on the shareholder's register book as at October 31, 2018. The subsidiary paid such dividend on November 29, 2018.

23. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. Basic earnings per share for the years ended October 31, 2019 and 2018 are calculated below.

	Unit : Baht			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Profit (Loss) attributable to equity holders of the Parent	50,275,468	72,484,481	67,705,717	73,319,247
Weighted average number of ordinary shares (shares)	215,294,559	215,294,559	215,294,559	215,294,559
Profit (Loss) basic earnings per share (Baht/share)	0.234	0.337	0.314	0.341

24. RELATED PARTIES TRANSACTIONS

The financial statements included certain transactions with related parties. These parties are related through common shareholdings and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the companies concerned.

Significant balances with the related parties are as follows:

Unit : Baht

Accounts/Companies	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2019	2018	2019	2018
Trade accounts receivable (See Note 6)					
Pico Art International Pte Ltd.	Major Shareholder	-	1,105,637	-	1,105,637
Pico International Ltd.	Same Ultimate Holding Company	-	6,264	-	6,264
Pico IES Group Limited	Same Ultimate Holding Company	1,183,019	1,907,837	1,183,019	1,907,837
Pico International (M) SDN.NBD.	Same Ultimate Holding Company	1,129,066	-	1,129,066	-
Pico International (HK) Ltd.	Same Ultimate Holding Company	-	117,500	-	117,500
Pico International LLC. (DMCC Branch)	Same Ultimate Holding Company	628,400	42,700	628,400	42,700
Pico International Taiwan Ltd.	Same Ultimate Holding Company	-	198,258	-	198,258
Total Brand Activation Pte Ltd. (Singapore)	Same Ultimate Holding Company	687,485	-	687,485	-
PT Pico TBA	Same Ultimate Holding Company	10,472	-	10,472	-
MP Singapore Pte Ltd.	Same Ultimate Holding Company	1,622,545	-	1,622,545	-
Nox Bangkok Company Limited	Direct subsidiary	-	-	5,428,302	3,410,647
TCBN Company Limited	Direct subsidiary	-	-	1,498,000	-
GKE Company Limited	Indirect subsidiary	-	-	7,385,974	2,251,865
FiftyPlus Asia Company Limited	Associated Company - Direct	2,200,000	2,200,000	2,200,000	2,200,000
		7,460,987	5,578,196	21,773,263	11,240,708
Other receivables - related parties (See Note 6)					
PX System Company Limited	Direct subsidiary	-	-	153,466	142,939
Nox Bangkok Company Limited	Direct subsidiary	-	-	18,200	18,200
Multi Designs Company Limited	Direct subsidiary	-	-	294,578	269,995
TCBN Company Limited	Direct subsidiary	-	-	4,817,292	3,560,110
FCG Company Limited	Direct subsidiary	-	-	782,205	2,381,105
GKE Company Limited	Indirect subsidiary	-	-	16,050	16,050
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	22,119	21,630	22,119	21,630
Ibrix Company Limited	Associated Company - Direct	19,260	19,260	19,260	19,260
		41,379	40,890	6,123,170	6,429,289

24. RELATED PARTIES TRANSACTIONS (CONTINUED)

Unit : Baht

Accounts/Companies	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2019	2018	2019	2018
The gross amount due from customers for contract work (See Note 7)					
Pico International Ltd.	Same Ultimate Holding Company	141,683	-	141,683	-
Pico In-Creative (UK) I Ltd.	Same Ultimate Holding Company	10,157,382	-	10,157,382	-
Pico TBA Consulting Group Limited	Same Ultimate Holding Company	1,525,000	-	1,525,000	-
TCBN Company Limited	Direct subsidiary	-	-	-	700,000
U-Rent Company Limited	Associated Company - Indirect	540,000	-	-	-
		12,364,065	-	11,824,065	700,000
Deferred cost of the rendering of services (See Note 8)					
PX System Company Limited	Direct subsidiary	-	-	-	116,375
Multi Designs Company Limited	Direct subsidiary	-	-	3,020,000	2,438,750
TCBN Company Limited	Direct subsidiary	-	-	6,642,568	8,856,757
FCG Company Limited	Direct subsidiary	-	-	258,225	344,300
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	23,215	55,118	23,215	55,118
U-Rent Company Limited	Associated Company - Indirect	4,163	20,050	4,163	20,050
		27,378	75,168	9,948,171	11,831,350
Dividend receivable					
PX System Company Limited	Direct subsidiary	-	-	16,199,182	16,199,182
Multi Designs Company Limited	Direct subsidiary	-	-	-	899,850
2010 Media Company Limited	Direct subsidiary	-	-	10,299,588	-
		-	-	26,498,770	17,099,032
Investments in subsidiaries, associated companies and Joint Ventures (See Note 9)					
PX System Company Limited	Direct subsidiary	-	-	12,750,714	12,750,714
Nox Bangkok Company Limited	Direct subsidiary	-	-	10,298,600	10,298,600
Multi Designs Company Limited	Direct subsidiary	-	-	2,520,000	2,520,000
TCBN Company Limited	Direct subsidiary	-	-	9,999,700	9,999,700
FCG Company Limited	Direct subsidiary	-	-	2,999,700	2,999,700
Andrew Bethell Associates Limited	Direct subsidiary	-	-	971,000	971,000
2010 Media Company Limited	Direct subsidiary	-	-	4,999,800	4,999,800
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	6,554,971	6,622,632	3,922,033	3,922,033
Ibrix Company Limited	Associated Company - Direct	3,331,329	2,853,325	1,999,800	1,999,800
U-Rent Company Limited	Associated Company - Indirect	13,026,917	12,577,120	-	-
FiftyPlus Asia Company Limited	Associated Company - Direct	-	-	6,749,700	6,749,700
Joint Venture of group of consultant A-Seven Pico	Joint Venture	865,024	868,975	920,000	920,000
		23,778,241	22,922,052	58,131,047	58,131,047
Other long-term accounts receivable - related parties					
PX System Company Limited	Direct subsidiary	-	-	770,184	770,184
TCBN Company Limited	Direct subsidiary	-	-	177,142	177,142
		-	-	947,326	947,326

24. RELATED PARTIES TRANSACTIONS (CONTINUED)

Unit : Baht

Accounts/Companies	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2019	2018	2019	2018
Trade accounts payable (See Note 15)					
Pico Art International Pte Ltd.	Major Shareholder	-	12,156	-	12,156
PX System Company Limited	Direct subsidiary	-	-	4,489,972	3,829,852
Multi Designs Company Limited	Direct subsidiary	-	-	2,459,716	3,570,884
U-Rent Company Limited	Associated Company - Indirect	3,884,030	1,774,904	922,006	961,578
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	1,916,104	5,337,864	1,916,104	4,694,042
		5,800,134	7,124,924	9,787,798	13,068,512
Accrued cost (see Note 15)					
PX System Company Limited.	Direct subsidiary	-	-	2,568,700	4,538,588
Multi Designs Company Limited	Direct subsidiary	-	-	2,212,350	2,085,000
U-Rent Company Limited	Associated Company - Indirect	792,600	889,592	757,800	719,932
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	1,838,873	3,616,264	1,838,873	3,616,264
		2,631,473	4,505,856	7,377,723	10,959,784
Other payable - related parties (see Note 15)					
Pico Art International Pte Ltd.	Major Shareholder	29,225,763	33,868,829	29,225,763	33,868,829
Pico Global Services Limited	Same Ultimate Holding Company	211,037	677,613	211,037	677,613
		29,436,800	34,546,442	29,436,800	34,546,442
Accrued expenses (see Note 15)					
Multi Designs Company Limited.	Direct subsidiary	-	-	571,500	363,125
		-	-	571,500	363,125
Deposit from customer (see Note 15)					
GKE Company Limited.	Indirect subsidiary	-	-	3,511,662	8,342,441
Pico In-Creative (UK) Ltd.	Same Ultimate Holding Company	527,476	-	527,476	-
		527,476	-	4,039,138	8,342,441
The gross amount due to customers for contract work (see Note 15)					
Total Brand Activation Pte Ltd. (Singapore)	Same Ultimate Holding Company	82,064	-	82,064	-
		82,064	-	82,064	-

24. RELATED PARTIES TRANSACTIONS (CONTINUED)

Significant business transactions with related parties for the years ended October 31, 2019 and 2018 are as follows:

Unit : Baht					
Accounts/Companies	Relationship	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
Revenues from the rendering of services					
Pico Art International Pte Ltd.	Major Shareholder	2,399,751	1,063,907	2,399,751	1,063,907
Pico International Ltd.	Same Ultimate Holding Company	1,118,375	1,205,925	843,925	438,925
Pico International (M) Sdn Bhd	Same Ultimate Holding Company	1,940,930	15,905	1,940,930	-
Pico In-Creative (UK) Ltd.	Same Ultimate Holding Company	-	1,778,329	-	1,778,329
Pico IES Group Limited	Same Ultimate Holding Company	1,960,425	1,783,025	1,754,525	1,783,025
Pico Australia Pty Ltd. - (Melbourne)	Same Ultimate Holding Company	478,879	523,318	478,879	523,318
Pico International (HK) Ltd.	Same Ultimate Holding Company	-	223,813	-	109,813
Pico Australia Pty Ltd. - (Perth)	Same Ultimate Holding Company	552,299	-	552,299	-
Pico International LLC. (DMCC Branch)	Same Ultimate Holding Company	1,095,897	39,907	1,095,897	39,907
Pico International Taiwan Ltd.	Same Ultimate Holding Company	236,482	622,554	236,482	622,554
PT Pico TBA Ltd.	Same Ultimate Holding Company	10,504	250,244	10,504	250,244
Pico North Asia Ltd.	Same Ultimate Holding Company	-	410,000	-	-
Total Brand Activation Pte Ltd. (Singapore)	Same Ultimate Holding Company	757,463	30,374	757,463	30,374
MP Singapore Pte Ltd.	Same Ultimate Holding Company	1,516,397	-	1,516,397	-
Nox Bangkok Company Limited	Direct subsidiary	-	-	5,718,958	3,187,520
TCBN Company Limited	Direct subsidiary	-	-	700,000	700,000
GKE Company Limited	Subsidiary - Indirect	-	-	32,205,195	18,927,593
U-Rent Company Limited	Associated Company - Indirect	-	1,016,500	-	-
		12,067,402	8,963,801	50,211,205	29,455,509
Dividend income					
PX System Company Limited	Direct subsidiary	-	-	16,199,182	16,199,182
Multi Designs Company Limited	Direct subsidiary	-	-	-	899,850
2010 Media Company Limited	Direct subsidiary	-	-	29,798,808	-
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	-	-	733,331	1,066,664
		-	-	46,731,321	18,165,696
Other income - Management fee income					
PX System Company Limited	Direct subsidiary	-	-	388,800	388,800
Multi Designs Company Limited	Direct subsidiary	-	-	338,400	338,400
		-	-	727,200	727,200

24. RELATED PARTIES TRANSACTIONS (CONTINUED)

Unit : Baht

Accounts/Companies	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2019	2018	2019	2018
Other income					
PX System Company Limited	Direct subsidiary	-	-	40,320	40,320
Nox Bangkok Company Limited	Direct subsidiary	-	-	120,000	120,000
Multi Designs Company Limited	Direct subsidiary	-	-	645,600	645,600
TCBN Company Limited	Direct subsidiary	-	-	1,305,000	1,305,000
FCG Company Limited	Direct subsidiary	-	-	77,000	184,800
GKE Company Limited	Indirect subsidiary	-	-	180,000	180,000
U-Rent Company Limited	Associated Company - Indirect	1,260,000	1,361,250	-	-
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	113,400	113,400	113,400	113,400
Ibrix Company Limited	Direct subsidiary	216,000	216,000	216,000	216,000
		1,589,400	1,690,650	2,697,320	2,805,120
Costs of the rendering of services					
Pico Art International Pte Ltd.	Major Shareholder	142,923	12,070	142,923	12,070
Pico International (M) Sdn Bhd	Same Ultimate Holding Company	-	535,026	-	535,026
Pico IES Group (China) Co., Ltd.	Same Ultimate Holding Company	671,973	-	671,973	-
Shanghai Pico Exhibition Management Co., Ltd.	Same Ultimate Holding Company	-	2,961,569	-	2,961,569
Pico Pro Lte Ltd.	Same Ultimate Holding Company	-	22,610,426	-	22,610,426
Pico Myanmar Co., Ltd.	Same Ultimate Holding Company	1,717,423	-	1,717,423	-
PX System Company Limited	Direct subsidiary	-	-	11,161,795	16,392,848
Nox Bangkok Company Limited	Direct subsidiary	-	-	-	5,790,000
Multi Designs Company Limited	Direct subsidiary	-	-	10,645,623	9,642,025
FCG Company Limited	Direct subsidiary	-	-	-	18,000
U-Rent Company Limited	Associated Company - Indirect	10,760,557	10,882,386	6,049,239	7,290,335
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	8,529,114	14,306,567	8,529,114	14,306,567
		21,821,990	51,308,044	38,918,090	79,558,866
Costs of the rendering of services - Management fee					
Pico Art International Pte Ltd.	Major Shareholder	27,888,414	33,005,732	27,888,414	33,005,732
Directors' remuneration					
	Director	4,905,000	6,000,000	4,905,000	6,000,000
Dividend paid					
Pico Art International Pte Ltd.	Major Shareholder	25,875,056	10,781,273	25,875,056	10,781,273
Directors	Director	14,560	5,271,460	14,560	5,271,460
		25,889,616	16,052,733	25,889,616	16,052,733

24. RELATED PARTIES TRANSACTIONS (CONTINUED)

Unit : Baht

Accounts/Companies	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2019	2018	2019	2018
Selling expenses					
Multi Designs Company Limited	Direct subsidiary	-	-	3,122,400	2,331,625
		-	-	3,122,400	2,331,625
Administrative expenses					
Pico Art International Pte Ltd.	Major Shareholder	93,512	657,058	93,512	657,058
Pico Global Services Limited	Same Ultimate Holding Company	1,179,986	695,375	1,179,986	695,375
Pico International (HK) Ltd.	Same Ultimate Holding Company	262,863	210,406	262,863	210,406
PX System Company Limited	Direct subsidiary	-	-	32,000	-
Multi Designs Company Limited	Direct subsidiary	-	-	5,250	-
U-Rent Company Limited	Associated Company - Indirect	22,500	-	22,500	-
Inkjet Images (Thailand) Company Limited	Associated Company - Direct	31,480	3,500	31,480	3,500
		1,590,341	1,566,339	1,627,591	1,566,339
Managements' remuneration					
Short-term benefits		44,867,399	35,564,662	31,757,434	21,548,323
Benefits after retirement		5,477,998	1,130,469	3,987,314	755,239
Total		50,345,397	36,695,131	35,744,748	22,303,562

- a) Service income and cost of the rendering of service are determined by the Company and its related companies based on the cost plus basis as the condition in the normal course of business.
- b) On November 1, 2018, the Company entered into the Management Consultant Agreements with two subsidiaries. The agreements shall be in effect for 3 years from the date of the agreement and the two parties can renew the agreement for a successive term of 3 years. The management fees charged to such subsidiaries are presented as follows:

Companies	Monthly fee (Baht)
PX System Company Limited	32,400
Multi Designs Company Limited	28,200

- c) On July 10, 1992, the Company entered into the Off-shore Services agreement and Intellectual Property License agreements and its amendments with Pico Art International Pte Ltd., a major shareholder. The Company is committed to pay fees under the aforementioned at the agreed rates 2.53% of the gross revenues. Such agreements shall remain effective until agreements will be terminated by the mutual agreement of the parties.

25. INCOME TAX EXPENSES

Income tax expenses for the years ended October 31, 2019 and 2018 are made up as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Current income tax:				
Income tax for the year	16,043,528	22,835,020	9,850,811	15,108,848
Deferred tax:				
Relating to origination and reversal of temporary differences	(3,424,231)	(17,387)	(2,912,137)	(640,268)
Income tax expenses reported in profit or loss	12,619,297	22,817,633	6,938,674	14,468,580

The amounts of income tax relating to each component of other comprehensive income for the years ended October 31, 2019 and 2018 are as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Deferred tax relating to actuarial gain (loss)	(73,457)	-	(1,181,003)	-
	(73,457)	-	(1,181,003)	-

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended October 31, 2019 and 2018 are as follow:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Accounting profit (loss) before income tax	64,776,240	97,046,856	74,644,391	87,787,827
Applicable tax rate of the Company	20%	20%	20%	20%
Accounting profit(loss) before income tax multiplied by applicable tax rate	12,955,248	19,409,371	14,928,878	17,557,566
Share of profit (loss) from investments in associates	(767,904)	(923,191)	-	-
Effects of:				
Dividends received are excluded from taxable profit	(118,392)	(262,663)	(9,346,264)	(3,633,139)
Non-deductible expenses	1,824,902	1,523,775	1,584,628	560,461
Additional expense deductions allowed	(1,098,411)	(528,211)	(1,090,000)	(54,125)
Tax loss not utilized	(2,237,556)	(16,585)	-	-
Loss from operation of subsidiaries	877,860	2,867,507	-	-
Others	1,183,550	747,630	861,432	37,817
Total	431,953	4,331,453	(7,990,204)	(3,088,986)
Income tax expenses reported in profit or loss	12,619,297	22,817,633	6,938,674	14,468,580
Effective income tax rate	19.48%	23.51%	9.30%	16.48%

25. INCOME TAX (CONTINUED)

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Baht)

	STATEMENTS OF FINANCIAL POSITION			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Deferred tax assets				
Accumulated depreciation - equipment	16,800	46,220	16,800	46,220
Accumulated amortization - Buildings and improvement	2,584,915	1,970,022	2,584,915	1,970,022
Non-current provisions for employee benefits	11,485,338	7,376,012	9,808,958	5,983,251
Accrued expense and other provision	550,783	867,348	550,783	867,348
Total	14,637,836	10,259,602	12,961,456	8,866,841
Deferred tax liabilities				
Accumulated amortization - Buildings and improvement	1,475	-	1,475	-
Land revaluation surplus	7,843,476	7,843,476	7,843,476	7,843,476
Total	7,844,951	7,843,476	7,844,951	7,843,476

26. SHARE OF PROFITS (LOSSES) FROM INVESTMENTS USING THE EQUITY METHOD

For the years ended October 31, 2019 and 2018, share of profits (losses) from investment using the equity method included in the consolidated financial statements are based on the net profit (loss) of the financial statements of associated companies for the years ended October 31, 2019 and 2018 reviewed by the management but unaudited by the auditor. Such share of profits (losses) can be stated as percentage of the Company's consolidated net profit as follows:

Companies	% of ownership		% of net consolidate net profit (loss)	
	2019	2018	2019	2018
CONSOLIDATED				
Associated company - Direct				
Inkjet Images (Thailand) Company Limited	22.22	22.22	(0.13)	(0.46)
Ibrix Company Limited	40.00	40.00	0.95	2.14
FiftyPlus Asia Company Limited	45.00	45.00	-	-
Joint Venture				
Joint Venture of group of consultant A-Seven Pico	40.00	40.00	(0.008)	0.016
Associated company - Indirect (Equity held by PX System Company Limited)				
U-Rent Company Limited	22.50	22.50	5.37	3.20

27. PROVIDENT FUND

For the years ended October 31, 2019 and 2018, the Company and its subsidiaries' contributions included in administrative expenses in the consolidated and separate financial statements are as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
2019	5,379,932	4,533,161
2018	5,198,079	3,767,153

28. DISCLOSURE OF FINANCIAL INSTRUMENTS

28.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, investments, trade and other payables, short-term loans, long-term loans and liabilities under finance lease. The financial risks associated with these financial instruments and how they are managed in described below.

Credit Risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables. The Company and its subsidiaries' management manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Foreign currency risk

The exposure of the Company and its subsidiaries to foreign currency risk relates primarily to the business transactions made with foreign entities, which currently are not hedged by any derivative financial instrument. However, the Company and its subsidiaries believe that there will be no material impact on the Company and its subsidiaries' financial statements because the amounts of their transactions with foreign entities are immaterial.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts and short-term borrowings. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. However, the Company and its subsidiaries believe that there will be no material impact on the Company and its subsidiaries' financial statements because the amounts of such financial assets and liabilities are immaterial.

28.2 Estimated Fair Value of Financial Instruments

Fair value of financial instruments

The following methods and assumptions were used by the Company and its subsidiaries in estimating fair values of financial assets and liabilities.

- Cash and cash equivalents, Trade accounts receivable and other current receivables and the gross amount due from customers for contract work have the carrying values approximate their fair values.
- Bank overdrafts and short-term loan from financial institutions, Trade accounts payable and other current payables and short-term loan from related parties have the carrying values approximate their fair values.
- Current portion of long-term debt and long-term liabilities have the carrying values approximate their fair values.

29. BUSINESS SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Board of Directors of the Company and its subsidiaries.

For management purposes, the Company and its subsidiaries are organized into business units based on its businesses and have five principal reportable segments i.e. exhibition business, event marketing business, museum exhibit business, knowledge communication business, and organizer business. These operations are mainly carried on in Thailand.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the year ended October 31, 2019 and 2018, respectively.

29. BUSINESS SEGMENT INFORMATION (CONTINUED)

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended October 31, 2019 being as follows:

							Unit : Baht
Revenue Type	Exhibition	Event Marketing	Museums Exhibit	Knowledge Communication	Organizer	Others	Total
Revenues from the rendering of services	824,115,531	387,243,574	231,124,986	37,811,891	6,237,467	49,715,045	1,536,248,494
Dividend income	-	-	-	-	-	1,183,920	1,183,920
Other income	-	-	-	-	-	12,579,058	12,579,058
Share of profit (loss) from investments using the equity method	-	-	-	-	-	3,839,520	3,839,520
Total Revenues	824,115,531	387,243,574	231,124,986	37,811,891	6,237,467	67,317,543	1,553,850,992
Profit (Loss) before income tax							64,776,240
Income tax expenses							(12,619,296)
Profit (Loss) for the year							52,156,944
Profit (Loss) attributable to non-controlling interests of the subsidiaries							(1,881,476)
Net Profit (Loss) for the year							50,275,468
Inter-segment fixed assets	57,958,881	-	-	-	-	-	57,958,881
General fixed assets							312,746,440
Total fixed assets							370,705,321
Accumulated depreciation							(243,525,444)
Fixed assets							127,179,877
General assets							814,315,378
Total Assets							941,495,255

For the year ended October 31, 2018 being as follows:

							Unit : Baht
Revenue Type	Exhibition	Event Marketing	Museums Exhibit	Knowledge Communication	Organizer	Others	Total
Revenues from the rendering of services	1,064,501,362	462,715,054	420,897,671	35,301,879	6,382,042	30,237,566	2,020,035,574
Dividend income	-	-	-	-	-	493,300	493,300
Other income	-	-	-	-	-	6,705,587	6,705,587
Share of profit (loss) from investments using the equity method	-	-	-	-	-	4,615,955	4,615,955
Total Revenues	1,064,501,362	462,715,054	420,897,671	35,301,879	6,382,042	42,052,408	2,031,850,416
Profit (Loss) before income tax							97,046,856
Income tax expenses							(22,817,633)
Profit (Loss) for the year							74,229,223
Profit (Loss) attributable to non-controlling interests of the subsidiaries							(1,744,742)
Net Profit (Loss) for the year							72,484,481
Inter-segment fixed assets	61,730,283	-	-	-	-	-	61,730,283
General fixed assets							310,502,895
Total fixed assets							372,233,178
Accumulated depreciation							(242,899,560)
Fixed assets							129,333,618
General assets							1,004,840,922
Total Assets							1,134,174,540

29. BUSINESS SEGMENT INFORMATION (CONTINUED)

SEPARATE FINANCIAL STATEMENTS

For the year ended October 31, 2019 being as follows:

Unit : Baht							
Revenue Type	Exhibition	Event Marketing	Museums Exhibit	Knowledge Communication	Organizer	Others	Total
Revenues from the rendering of services	698,797,405	387,943,575	77,286,302	-	6,237,467	44,488,529	1,214,753,278
Dividend income	-	-	-	-	-	46,731,321	46,731,321
Other income	-	-	-	-	-	11,302,116	11,302,116
Total Revenues	698,797,405	387,943,575	77,286,302	-	6,237,467	102,521,966	1,272,786,715
Profit (Loss) before income tax							74,644,391
Income tax expenses							(6,938,674)
Net Profit (Loss) for the year							67,705,717
General fixed assets							291,565,769
Total fixed assets							291,565,769
Accumulated depreciation							(176,982,635)
Fixed assets							114,583,134
General assets							717,715,336
Total Assets							832,298,470

For the year ended October 31, 2018 being as follows:

Unit : Baht							
Revenue Type	Exhibition	Event Marketing	Museums Exhibit	Knowledge Communication	Organizer	Others	Total
Revenues from the rendering of services	970,031,189	463,415,054	45,104,210	-	6,382,042	27,369,162	1,512,301,657
Dividend income	-	-	-	-	-	18,165,696	18,165,696
Other income	-	-	-	-	-	6,593,325	6,593,325
Total Revenues	970,031,189	463,415,054	45,104,210	-	6,382,042	52,128,183	1,537,060,678
Profit (Loss) before income tax							87,787,827
Income tax expenses							(14,468,580)
Net Profit (Loss) for the year							73,319,247
General fixed assets							292,849,098
Total fixed assets							292,849,098
Accumulated depreciation							(174,385,930)
Fixed assets							118,463,168
General assets							777,007,768
Total Assets							895,470,936

30. RISK MANAGEMENT POLICIES FOR ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

The Company and its subsidiaries do not have a policy to cover foreign exchange exposure of assets and liabilities in foreign currencies because the Company and its subsidiaries do not expect to incur material effects of foreign currency exchange rate on its financial position and results of the operations because the majority of business activities are denominated in Thai Baht. All foreign currency transactions have to be approved by Management of the Company and its subsidiaries.

Significant assets and liabilities of the Company and its subsidiaries in foreign currencies are as follows:

Assets and liabilities	TERM OF RECEIPT/ PAYMENT (DAYS)	Consolidated FINANCIAL STATEMENTS									
		USD	GBP	SGD	HKD	MYR	EUR	CNY	JPY	KRW	TOTAL BAHT
As at October 31, 2019											
Cash and cash equivalents		5,146	596	5,382	8,141	11,525	779	15,173	200,300	1,479,500	591,818
Trade accounts receivable	30 - 90	350	-	-	-	-	-	-	-	-	10,472
		5,496	596	5,382	8,141	11,525	779	15,173	200,300	1,479,500	602,290
Trade accounts payable	30 - 90	-	-	-	-	-	-	-	-	-	-
Other current payables	30 - 90	6,635	-	-	2,474	-	20,750	-	-	-	917,163
		6,635	-	-	2,474	-	20,750	-	-	-	917,163
As at October 31, 2018											
Cash and cash equivalents		11,669	415	5,838	5,205	5,491	14,988	13,296	61,200	1,878,300	1,301,583
Trade accounts receivable	30 - 90	6,006	-	5,500	-	-	-	-	-	-	328,379
		17,675	415	11,338	5,205	5,491	14,988	13,296	61,200	1,878,300	1,629,962
Trade accounts payable	30 - 90	-	-	500	-	-	-	-	-	-	12,156
Other current payables	30 - 90	-	-	20,365	18,585	-	7,000	123,500	-	-	1,439,477
		-	-	20,865	18,585	-	7,000	123,500	-	-	1,451,633

30. RISK MANAGEMENT POLICIES FOR ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (CONTINUED)

Assets and liabilities	TERM OF RECEIPT/ PAYMENT (DAYS)	SEPARATE FINANCIAL STATEMENTS									
		USD	GBP	SGD	HKD	MYR	EUR	CNY	JPY	KRW	TOTAL BAHT
As at October 31, 2019											
Cash and cash equivalents		5,146	415	5,382	8,141	11,525	644	12,580	200,300	1,479,500	569,378
Trade accounts receivable	30 - 90	350	-	-	-	-	-	-	-	-	10,472
		5,496	415	5,382	8,141	11,525	644	12,580	200,300	1,479,500	579,850
Trade accounts payable	30 - 90	-	-	-	-	-	-	-	-	-	-
Other current payables	30 - 90	6,635	-	-	2,474	-	20,750	-	-	-	917,163
		6,635	-	-	2,474	-	20,750	-	-	-	917,163
As at October 31, 2018											
Cash and cash equivalents		11,669	415	5,838	5,205	5,491	14,988	13,296	61,200	1,878,300	1,301,583
Trade accounts receivable	30 - 90	6,006	-	5,500	-	-	-	-	-	-	328,379
		17,675	415	11,338	5,205	5,491	14,988	13,296	61,200	1,878,300	1,629,962
Trade accounts payable	30 - 90	-	-	500	-	-	-	-	-	-	12,156
Other current payables	30 - 90	-	-	20,365	18,585	-	7,000	123,500	-	-	1,439,477
		-	-	20,865	18,585	-	7,000	123,500	-	-	1,451,633

31. GUARANTEES

As at October 31, 2019 and 2018, the Company and its subsidiaries have bank letters of guarantee as required by the contracts with customers amounting to Baht 82.97 million and Baht 178.68 million, respectively.

32. SIGNIFICANT AGREEMENT

32.1 On March 24, 2010, the Company entered into a Joint Venture Agreement with A-Seven Corporation Co., Ltd. The objective of which is to design for museum. The investment portion of A-Seven Corporation Co., Ltd. and Pico (Thailand) Public Company Limited is 6 : 4. The operating income or loss from the Joint Venture will be transferred to each party at such portion.

32.2 On July 17, 2015, GKE Company Limited (Formerly GKE Joint Venture Company Limited) (subsidiary) has entered into the contract of exhibition fabrication of Rama IX Museum with National Science Museum. Total contract value is Baht 1,061 million.

The fabrication of such project was completed in March 2019 in accordance with the contract. Currently, it is under the warranty period of 2 years.

33. COMMITMENTS AND CONTINGENT LIABILITIES

32.1 As at October 31, 2019, the Company has commitments to pay construction in progress in the total amount of approximately Baht 2.18 million.

32.2 The Company and its subsidiaries had commitments to pay the rental and service charge according to agreements as follows:

Unit : Baht				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Within 1 year	12,092,489	13,256,709	8,981,289	9,764,309
Over 1 year within 5 years	8,153,376	14,750,050	7,093,526	10,614,000
Total	20,245,865	28,006,759	16,074,815	20,378,309

34. EXPENSES BY NATURE

Significant expenses by nature for the years ended October 31, 2019 and 2018 have been presented as follows:

Unit : Baht				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Cost of the rendering of services	1,168,775,167	1,611,296,734	932,589,105	1,194,048,243
Staff expenses	151,614,967	151,983,454	131,253,987	121,162,447
Management benefit expenses	50,345,397	36,695,131	35,744,748	22,303,562
Directors' remuneration	4,905,000	6,000,000	4,905,000	6,000,000
Depreciation and amortization	20,443,285	24,838,688	16,231,764	20,998,872
Other expenses	92,990,936	103,245,363	77,417,720	84,114,589

35. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

For the year ended October 31, 2019 and 2018 in the consolidated financial statements totaling to Baht 50 million and Baht 37 million respectively (separate financial statements: Baht 36 million and Baht 22 million, respectively).

36. APPROVAL FOR ISSUING OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the Company's Board of Directors on December 13, 2019.

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