



บริษัท อควา คอร์ปอเรชั่น จำกัด (มหาชน)

2019



Bangkok Bank



Annual Report

รายงานประจำปี 2562

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Message from the Chairman of the Board of Directors

Year 2019 is one of the years that Aqua Corporation Public Company Limited achieved significant growth in both revenue and profits from its subsidiaries and associates. The AQUA Group had a higher operating income than the last year by 9.04%, a higher share of profits from associates than the last year by 92%, and a higher annual net profit than the last year by 30.83% as a result of strategic planning suitable for rapidly changing situations with carefully implementing the business plan. During the past 5 years, the Company had grown from investment management in all aspects such as operating income grew at an average of 24.42%, a net profit (calculated excluding gains from fair value changes) grew at an average of 27.21%. Besides, total assets grew by an average of 14.80%, total shareholders' equity grew by an average of 8.11%, and the average earnings per share grew by an average of 27.21%. As well as the dividend payment has been paid continuously during the past 3 years. The Company proposed the shareholders to pay dividends from operations for the year 2017 at the rate of 0.01 Baht/share, Year 2018, at the rate of 0.02 Baht/share, and the year 2019 at the rate of 0.03 Baht/share.

The AQUA Group's business operations consist of the advertising media business, investment property business, (including warehouses and property in Chiangmai), renewable energy business, and printing business. Although the printing business started a recession in revenue, the AQUA group expanded its investment into the packaging business that is expected to grow following the consumers' behavior has shifted to e-commerce in many times.

Year 2019, the Company had total operating income 1,146 million Baht with an increase from 2018 of 95 million Baht or 9.04%, the share of profits from associates of 261 million Baht increased from 2018 of 125 million Baht or 92%, a net profit (calculated excluding profits from changes in fair value) of 504.90 million Baht with an increase of 118.90 million Baht from 2018 or 30.80%. It is considered the most outstanding growth for another year. The Company had total assets of 7,788 million Baht increased from 2018 of 927 million Baht or 13.51%, total liabilities of 3,200 million Baht increased from 2018 of 397 million Baht or 14.18%, and total shareholders' equity 4,588 million Baht increased from 2018 of 529 million Baht or 13.04% with the determination to become an investment management company in a business that has good performance with potential for future growth to get the highest return on investment.

The economic slowdown in 2019 since the end of the 3rd quarter is expected to continue until 2020. It is an important issue that continues to affect advertising spending and makes the overall advertising budget this year should be poised. But one thing to keep an eye on is the growth of advertising spending on digital media which also includes the Company's LED digital media because various companies see digital media as a way to reach consumers cost-effectively and measurably. However, online and out of home media continue to grow, but it cannot replace the contraction of traditional media. From anticipating, the Covid-19 situation should begin to unwind or improve at the end of the 2nd quarter of the year. The advertising media industry will begin to return normal in the 3-4 quarters of the year. From the forecast that Ad spending in digital media will grow, the Company is ready to provide LED digital media services that have invested significantly in the past 2 years.

The Company focuses on organization development and the potential of its personnel. By being a company with good corporate governance with also taking care of society, the environment and stakeholders in every sector. Every year, the AQUA Group arranges budgets to support various activities and projects related to education, social development, community, and environment-conscious by encouraging Executives and employees to participate in such activities. **"AQUA Fulfill, Create Dreams, Share Happiness"** is a project that the AQUA Group created to be a part of helping society and jointly developing

communities which was started in early 2014 and the Group will continue to operate. In the year 2020, the Company has 3 projects that intend to establish to help and take care of society such as (1) **"Nong Im Pee Suk"**, this year is the seventh year, which donates necessary things, lunch and participates in activities between the executives, employees, teachers, and students. (2) **"Creating educational opportunities"** is a project that the Company established for the first year to support wages for the contracting teacher for schools that don't have enough teachers which will affect the quality of education. (3) **"AQUA New Royalty Staff"** is a project that accepts students with a vocational certificate or bachelor's degree to work in a position suitable for the Company. The Company foresees the participation in creating educational opportunities and various opportunities for students, schools, including parents. If everyone has a level of education that they can do in their career after graduation, the opportunity to work in the program that has been studied, the opportunity to build a career and receive money so that they can bring it back to their family or create opportunities for future generations. Therefore, the Company is committed to creating these opportunities in areas that still need help.

Focus on the Thai Private Sector Collective Action Coalition Against Corruption (CAC), on 21 May 2019, the meeting of the CAC Committee No. 1/2019 approved to certify the Company to be a member of the CAC. The said certificate will be valid for 3 years from the date of approval and the Company remains committed to maintaining its status as a CAC member.

Lastly, on behalf of the Board of Directors of Aqua Corporation Public Company Limited and all executives, confirmed that we will manage the duties for the best benefit of shareholders according to the principles of good corporate governance. Thank you for the cooperation and trust from shareholders, business partners, staff, and those involved with the success of the Company everyone who provides support in all aspects. We hope that next year will be another year that will be share, appreciate and proud of the growth with the strength of the Company as a result of the efforts of all of you.



(Mr. Yuth Chinsupakul)

Chairman of the Board

February 28, 2020

Report of the Audit Committee

The Audit Committee of Aqua Coperations Public Company Limited consists of three independent directors, Mr.Sutee Phongpaiboon, the chairman of the Audit Committee, Ms. Pranee Rattakam and Mrs. Podchanee Phaosavasdi as Audit Committee with Ms. Rewadee Whanchid, Executive Vice President of Accounting and Finance as a secretary of the Audit Committee.

The Audit Committee has performed its duties and responsibilities as set out in the Charter of the Audit Committee and as assigned by the Board of Directors. This is consistent with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In 2019 the Audit Committee has held total of 5 meetings with the auditors, internal auditor and the managements of the Company, and there was 1 meeting with no executive attendance in order that the Audit Committee can have an independent inquiry with the auditors and internal auditors. The meetings can be summarized as follows:

- 1. Reviewed the quarterly financial statements and the annual financial statements for the year 2019.** The Audit Committee reviewed the quarterly financial statements and the annual financial statements for year 2019 of the Company and its subsidiaries, including related party transactions, transactions that may have a conflict of interest with the management and the internal auditor. The independent auditor was invited to attend every meetings regarding the quarterly financial statements and the annual financial statements reviews. The Audit Committee inquired the auditor about the accuracy and completeness of the financial statements, significant adjusting entries which have impacts on the financial statements, the sufficiency and appropriateness of accounting methods, the scope of auditing the accuracy and sufficiency of the disclosure, and the independence of the auditor, to ensure that the preparation of the financial statements meets legal requirements and the accounting standards in accordance with generally accepted accounting principles, is reliable and timely, including the disclosures in the financial statements to be sufficient and useful to the investors or users of financial statements.
- 2. Reviewed the internal control systems and internal auditing.** The Audit Committee reviewed and assessed the internal control systems altogether with the internal auditors as well as monitored the performances, the audit results, the recommendations, and the progress of implementation on a quarterly basis. In addition, the Company has assessed the adequacy of the internal control systems based on the internal control frameworks in accordance with the international standards (The Committee of Sponsoring Organizations of the Treadway Commission: COSO), to achieve more confidence. The managements, internal auditors and the Audit Committee had the opinions that the internal control systems of the Company was adequate and appropriate.
- 3. Reviewed the corporate governance.** The Audit Committee reviewed the performance according to the defined systems. The Company has operated based on the moral, been compliance with laws governed by Securities and Exchange Commission and terms of the Stock Exchange of Thailand as well as other laws and regulations related to the business operations of the Company, particularly, the connected transactions and related party transactions between group Companies in order to ensure that the Company has operated based on the

normal course of business sensibly. The Audit Committee also reviewed the process of complaint and report the fraud of the Company in order to comply with the good corporate governance principles and business philosophy of the Company, including supporting for anti-corruption policy. Furthermore, the Audit Committee has evaluated the overall performance of the Audit Committee which included the self-assessment panels based on the best practices of the Audit Committee of the Stock Exchange of Thailand.

- 4. To appointment the Auditors for the year 2020.** The Audit Committee has approved the office of Pitisevi Co., Ltd. as the auditor of the Company and its subsidiaries for the year 2020 and presented it to the Board of Directors to consider and ask for approval at the annual general meeting of shareholders of the year 2020 in order to appoint auditors and approve the audit fees.

In conclusion, the Audit Committee has performed its duties and responsibilities as outlined in the Audit Committee Charter approved by the Board of Directors by using knowledge, abilities, carefulness, and independence sufficiently for the benefits of all stakeholders equally. The Audit Committee has the opinions that the financial statements of the Company were accurate, reliable, and consistent with the generally accepted accounting standards. The Company has sufficient risk management, appropriate and effective internal control systems and auditing, as well as operated business in accordance with the good corporate governance systems, in compliance with laws, requirements, and obligations related to the business operations of the Company.



(Mr. Sutee Phongpaiboon)

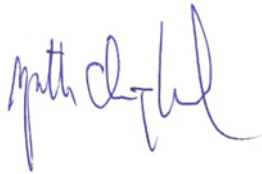
The Chairman of Audit Committee

February 28, 2020

Responsibility Report of Board of Directors for Financial Report

The financial statements of Aqua Corporation Public Company Limited and the consolidated financial statements of Aqua Corporation Public Company Limited and Subsidiaries for the year 2019 are prepared according to the Public Limited Companies Act B.E. 2535, Securities and Exchange Act B.E. 2559 and the Announcement of the Department of Business Development (Version 2) dated 11 October 2016, issued under the third paragraph of Section 11 of the Accounting Act B.E.2543 by following the financial reporting standards Promulgated by the Professional Council under the Royal Patronage.

Board of Directors Responsible for the company's financial reports that are organized to ensure to show Financial Status, Performance and significant cash flows that are significant. There is a management to have an effective internal control system, Accounting records are accurate, complete, and sufficient to maintain assets. Including the prevention of fraud and irregularities that are significant. In the preparation of financial reports, a selection of appropriate accounting policies has been considered and implemented consistently, and in accordance with financial reporting standards. And sufficient important information has been disclosed in the financial statements, in which the auditor has expressed an opinion on the financial statements of Aqua Corporation Public Company Limited and the consolidated financial statements of Aqua Corporation Company Limited and its subsidiaries in the auditor's report.



(Mr. Yuth Chinsupakul)

Chairman of the Board



(Mr. Arak Ratboriharn)

President and CEO

Financial Highlights

	Unit: Million Baht		
	2019	2018	2017
Financial Position			
Total Assets	7,788.31	6,861.63	6,685.70
Total Liabilities	3,200.00	2,802.69	2,923.02
Total Shareholders' Equity	4,588.31	4,058.94	3,762.68
Equity holders of the Company	4,520.68	3,989.25	3,690.62
Minority interest	67.63	69.69	72.06
Operating Results			
Total Revenues	1,266.31	1,087.87	1,299.79
Revenues from sales and services	1,146.16	1,050.45	905.69
Gross Profit (Loss)	609.13	566.77	488.39
Net Profit (Loss)	567.80	398.02	494.38
Owners of the parent	559.59	390.88	486.58
Non-Controlling interest	8.21	7.14	7.80
Basic Earning Per Share (Baht per share) *	0.1218	0.0867	0.1080
Book Value Per Share (Baht per share) *	0.98	0.87	0.80
Financial Ratios			
Current Ratio (times)	0.69	0.43	1.09
Debt to Equity Ratio (times)	0.70	0.69	0.78
Gross Profit Margin (%)	53.15	53.95	53.92
Net Profit Margin (%)	44.84	36.59	38.04
Return on Assets (%)	10.15	7.93	11.99
Return on Equity (%) *	13.15	10.18	14.07

Note : * Only the equity holders of the parent company

As of December 31, 2019, the Company had fully paid-up ordinary shares capital totaling 4,593,000,000 shares of par value Baht 0.50 per share.

1. Business Policies and Overviews

1.1 Background

Aqua Corporation Public Company Limited ("The Company"/"AQUA") has been listed on the SET since September 17, 2004 with the name DE Capital Plc. ("DE"). During 2007, the Company had a policy to cease hire purchase household electrical appliances, office equipment and taxies due to the unworthiness of the operating cost. The Company collected the debts from old portfolio which increased the cash on hand and used them for investing in other potential businesses that becomes new major businesses of the Company, as follows:

1.2 Overview of the Business

- **Investment in advertising media business**

In 2007, the Company invested in J.R. Deal Co., Ltd. (later changed name to AQUA Corporation Plc. and then changed to Aqua Ad Plc. ("AA"/"AQUA AD")) in portion of 50% of the registered capital of Baht 300 million. The company operated renting and supplying of the advertisement billboard space, including supplying the space, production and installation for various kinds of advertisement works, with the focus on outdoor advertisements (Out of Home Media). Over time, the Company had change of the shareholding proportion in AA for several times as detailed below:

- ❖ In 2011, the Company purchased more shares of AA from other shareholders totaling 225,513,053 shares with par value of Baht 1 per share by issuing new common shares of 451,026,106 shares at par value of Baht 0.50 per share. The fair value at the date of registration of the capital increase was Baht 0.56 per share with share premium of Baht 27.1 million. This purchase resulted in the Company holding 100% of the paid-up capital of AA.
- ❖ In 2013, the Company sold and assigned its property rights related to media and billboards to AA in order to reorganize the business structure to be clearer. The Company sold its investment in common shares of AA totaling 105,151,997 shares at par value of Baht 1 per share, representing 26% of paid-up capital of AA, at the price of Baht 2.66 per share, total value of Baht 279.49 million to POLAR. After this transaction, the Company remained shareholding of 74% in AA.
- ❖ in 2016, the Company purchased ordinary shares of AA totaling 105,151,997 shares at the par value of Baht 1, representing 26% of paid-up capital of AA, at the price of Baht 1.52, total value of Baht 160 million, from POLAR. After this transaction, the Company become the major shareholder of AA, holding 100% of AA's registered capital.

In additional, during 2011, the Company considered investing more in billboard/media business which was the same business as AA by acquiring more billboards from other operators as well as constructing new billboard structures. Later in 2013, the Company sold and assigned its property rights related to media and billboards to AA in order to ensure the clear business structure (as detailed above).

On February 21, 2017, the Company invested in the Boardway Media Co., Ltd ("BWM") operating Out Of Home Media (OOH) for rent in the forms of billboards and LED signage by acquiring (1) ordinary shares of 90% of the total shares, or an equivalent of 881,999 shares at price per share of Baht 697.9592 baht (par value of 100 baht), amounting to Baht 615.60 million worth of investments. (2) preferred shares of 100% of the total preferred shares, or equivalent of 136 shares at price per

share of 100 baht (par value of 100 baht), amounting to Baht 13,600 worth of investments. The total investment transactions of Baht 615.61 million. After the acquisition of Boardway Media, the Company planned to have Boardway Media (now a subsidiary company with shareholding of 90%) a capital reduction of the entire preferred shares. In addition, on the date of transaction, the Company will provide financial supporting amounting to Baht 146.80 million to Boardway Media to repay of the outstanding loan amounting to Baht 762.41 million.

On May 31, 2017, the BWM shareholders' meeting No. 3/2017 resolved to reduce the share capital of the preferred shares. BWM registered a capital reduction with the Ministry of Commerce on June 1, 2017.

The Investment in BMW allows the company to cover a complete network of LED advertising media throughout the country by having 80 panels of LED Screen as of year ended 2018. It allows the company's media planning for the customers widely and contribute to growth of advertising revenues significantly.

On April 4, 2017, AA has invested in the M.I.S. Media Co., Ltd ("MIS") acquire 100% from the existing shareholders totaling 9,998 shares, amounting to Baht 61.13 Million. MIS operates out of home media for rent in the forms of billboards in Northeastern region, and has billboards at 8 locations with 10 signage. After the investment, MIS has set up a sign on the leasehold land available on the date of investment at 1 location, total of 9 locations 12 signage.

On January 31, 2018, the company has bought 49,000 more shares of Broadway Media Co., Ltd from the previous shareholder at the rate of 737.3126 Baht per share with the total value of 36.13 million Baht. After buying the above shares, the company's portion of shareholding in BMW will be 95% of Authorized Capital

On June 11, 2019, the Company purchased the shares in Boardway Media Co., Ltd. in additional in the amount of 48,999 shares, at Baht 774.22 per share, so the total investment was Baht 37.94 million. After such purchase of shares, the shareholding ratio in BWM is 99.99% of the registered capital.

July 31, 2019, BWM invested in S. Thana Media Co., Ltd. ("STN") by purchasing the ordinary shares of 99.99% from its existing shareholders, representing 49,888 shares, totaling to Baht 380 million. STN carries on the business of out of home media, in form of billboard, located in the different province. STN totally has 56 locations with 82 billboards.

- **Investment in ordinary shares of Eastern Printing Public Company Limited ("EPCO")**

- ❖ In 2010, the Company purchase ordinary shares of EPCO, which is listed on the Stock Exchange of Thailand, and business operation of comprehensive printing business. After this transaction of purchase of shares from two major shareholders totaling of 207.85 million shares or representing 43.82% of EPCO's total shares of 474,177,401 shares (exclusion of treasury stocks of 41,232,800 shares). Total investment was valued Baht 397.41 million. The acquisition at this time enabled the Company and its subsidiaries to hold shares in listed companies exceeding of 25% which the Company and its subsidiaries had to make a tender offer for all shares of EPCO as required by the SEC. The additional purchase of shares through the purchase-sale of the Stock Exchange enabled the Company to hold 44.15% of EPCO's paid up capital.
- ❖ As at December 31, 2016, the Company had proportion of shareholding of 38.40% of paid up capital, decrease in proportion of shareholding was a result from the conversion of rights of warrant holders, EPCO-W1.

- ❖ On December 31, 2018, the company has a portion of shareholding of 39.69% of the paid-up capital. The portion has increased from buying additional common stock of Eastern Printing Public Company Limited (EPCO) which is offered to existing shareholders in the portion of 8 old shares to 1 new share. Including with buying additional common stocks via Stock Market Trading System.
 - ❖ On December 31 2019, the Company had the shareholding proportion of 40.08% of the paid-up capital. The Company's shareholding was higher due to the purchase of the ordinary shares in Eastern Printing Public Company Limited (EPCO) in additional through SET's trading system.
 - ❖ Since 2010 until present, EPCO has expanded its business to the renewable energy focusing on the development opportunities, and invested in renewable energy businesses, which has high growth potential and low operating risk along with stable long-term income generated.
 - ❖ In 2018 ,Investing in World Printing and Packaging Company Limited ("WPP"). Because the currently consumers behavior has switched to E-commerce many times more, so EPCO has a policy to expand the business regarding packaging which is a business that the Executives have more than 20 years of experience.
- **Investment in warehouse for rent and service business**
 - ❖ In 2014, the Company invested in the Thai Consumer Distribution Center Co., Ltd. ("TCDC"), which are principally engaged in warehouses and service and has the Unilever Group as main customers, in proportion of 69% of the registered share capital (1,694,000 shares) by acquiring the newly issued TCDC's ordinary shares of 1,169,000 shares with par value of Baht 100 at the price of Baht 406.3302 per share (share premium of Baht 306.3302 per share), and acquiring one share from an existing shareholders at the price of Baht 406 per share in order to gain the right as existing shareholders of TCDC . Total value of this investment was Baht 475 million. The Company also assigned Mr. Phonlasit Phumiwasana to hold shares represented the Company of 1 share. As of December 31, 2015, TCDC had paid-up share capital for the entire amount.
 - ❖ In 2015, the Company acquired the ordinary shares of TCDC totaling of 459, 374 shares from 5 other existing shareholders representing 27.12% of the total shares with an average price of Baht 685.715 (par value Baht 100 per share). Total value of this investment was Baht 315.00 million. After this acquisition, the Company become a major shareholder of TCDC holding 96.13% of TCDC share outstanding (total 1,694,000 shares)
 - ❖ During Quarter 4/2015, TCDC purchased of ordinary shares of Accomplish Way Holdings Company Limited ("AWH") operating warehouse for rent and services from existing shareholders totaling of 449,998 shares with par value of Baht 100 per share at the average price of Baht 367.632. Total value of transaction was Baht 165.43 million. After the acquisition, TCDC become a major shareholder holding 100% of the shares outstanding (total 450,000 shares)
 - **Investment in properties for rent and service business**
 - ❖ During 2016, Mantra, a subsidiary company with 100 shareholding, purchased a piece of land in Chiang

Mai province with the purpose of constructing a facility used for operating a resort for eco-tourism and agriculture tourism. The total investment value in this project was Baht 470 million. After the construction is completed, the project would be solely leased out to The Cabin Chiang Mai Co., Ltd. for operating a retreatment center for the duration of 10 years with an option to continue the lease for another 10 years.

❖ Since October 1, 2017, The Cabin Chiang Mai was completed and fully operates.

- **Other investments**

❖ The investment in Aura Dream Co., Ltd. (operating a hotel business of 209 rooms and 88 room-service apartments in Nakhon Pathom Province) which currently operates under the name of “Mida Dvaravati grand”.

Since 2014, the Company has adjusted its business policy to become an investment management company by investing in businesses with good performance, potentials and high growth opportunities resulting in maximum returns on investments.

In addition, the Company has changed its name formerly DE CAPITAL Public Company Limited using the symbol "DE" to these following names:

- In 2008, the name was changed to "Sunshine Corporation Public Company Limited under the symbol "SSE".
- In 2010, the name was changed to "P Plus P Public Company Limited under the symbol "PLUS".
- In 2012, the name was changed to "Aqua Corporation Public Company Limited under the symbol "AQUA", a name that is currently used.

1.3 Goals and Strategies for Operation

On February 28, 2019, the Board of Directors' Meeting No. 2/2019 reviewed the Company's vision and mission as follows.

Vision

"Committed to become the Investment Management Company focusing on the investment in good performance business with opportunities and high growth potential in order to provide maximum returns on investments"

Mission

AQUA is committed to become the Investment Management Company focusing on the investment in good performance business with opportunities and high growth potential, led by:

- (1) Media advertising operated under the group of Aqua Ad PCL. and the group of Boardway Media Co., Ltd.
- (2) Warehouse for rent and service operated under the group of Thai Consumer Distribution Center Co., Ltd.
- (3) Real estate for rent and service operated by Mantra Assets Co., Ltd.
- (4) Printing and Packaging Business, Renewable Energy under the group of Eastern Printing PCL.

In addition, the Company continues searching for new investments with good future prospects in order to maximize the group's returns on investment.

Strategies leading to sustainability

- Consider investing in good performance business with opportunities and high growth potential
- Diversify risks by investing in various types of businesses
- Develop currently invested businesses in order to create good sustainable returns
- Create synergy between companies in the Group to achieve maximum return on investment
- Drive currently invested businesses to grow and become listed company in the Stock Exchange of Thailand

Objective and Goals for 3 years (2020-2022)

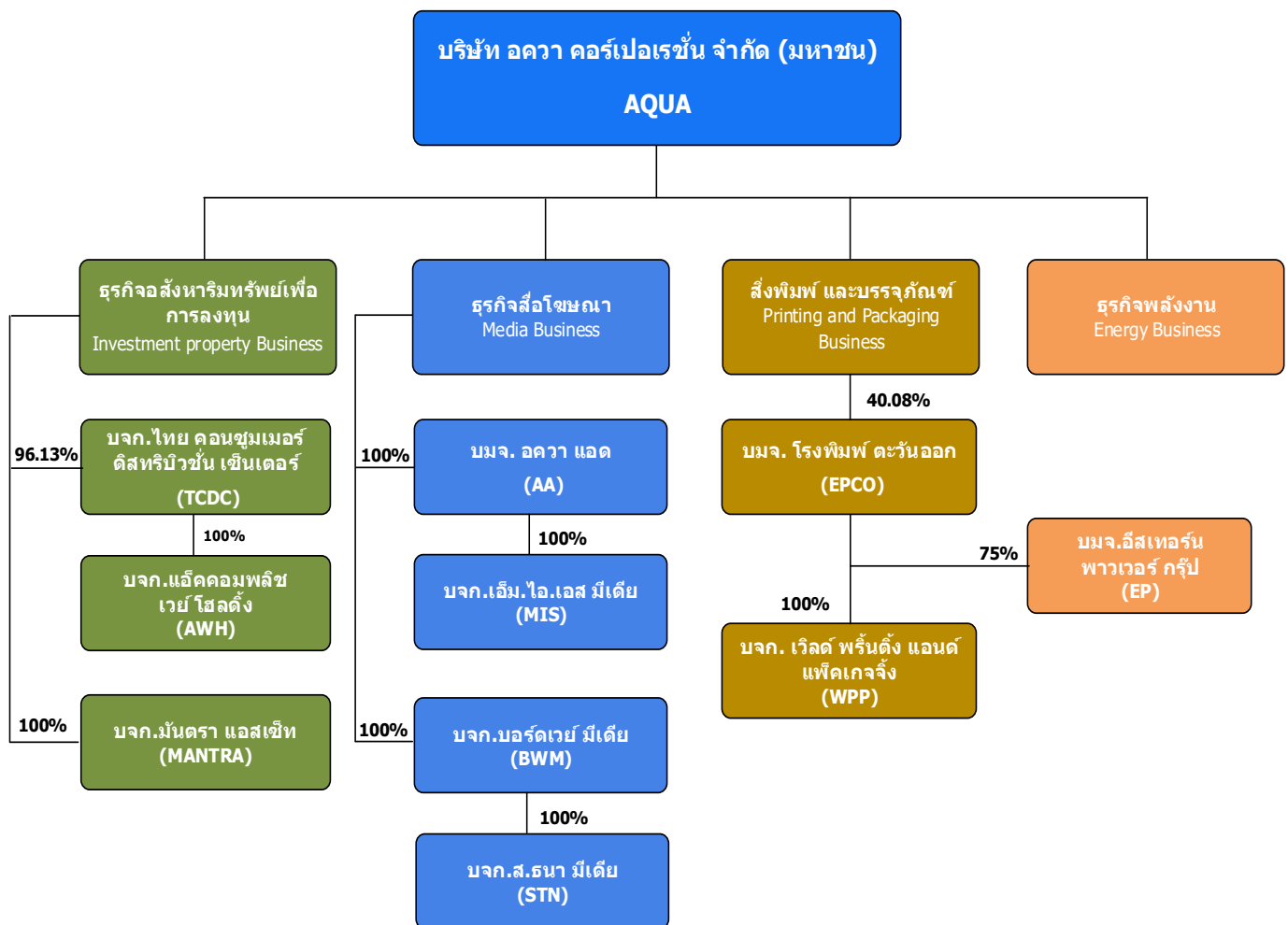
1. To administration, the average revenue growth of at least 10% every year.
2. To manage business and investment with a net profit margin of not less than 40 percent of total revenue.

1.4 Changing and key developments

Since 2007 (after cease to operate the leasing business), the Company has invested in the following businesses

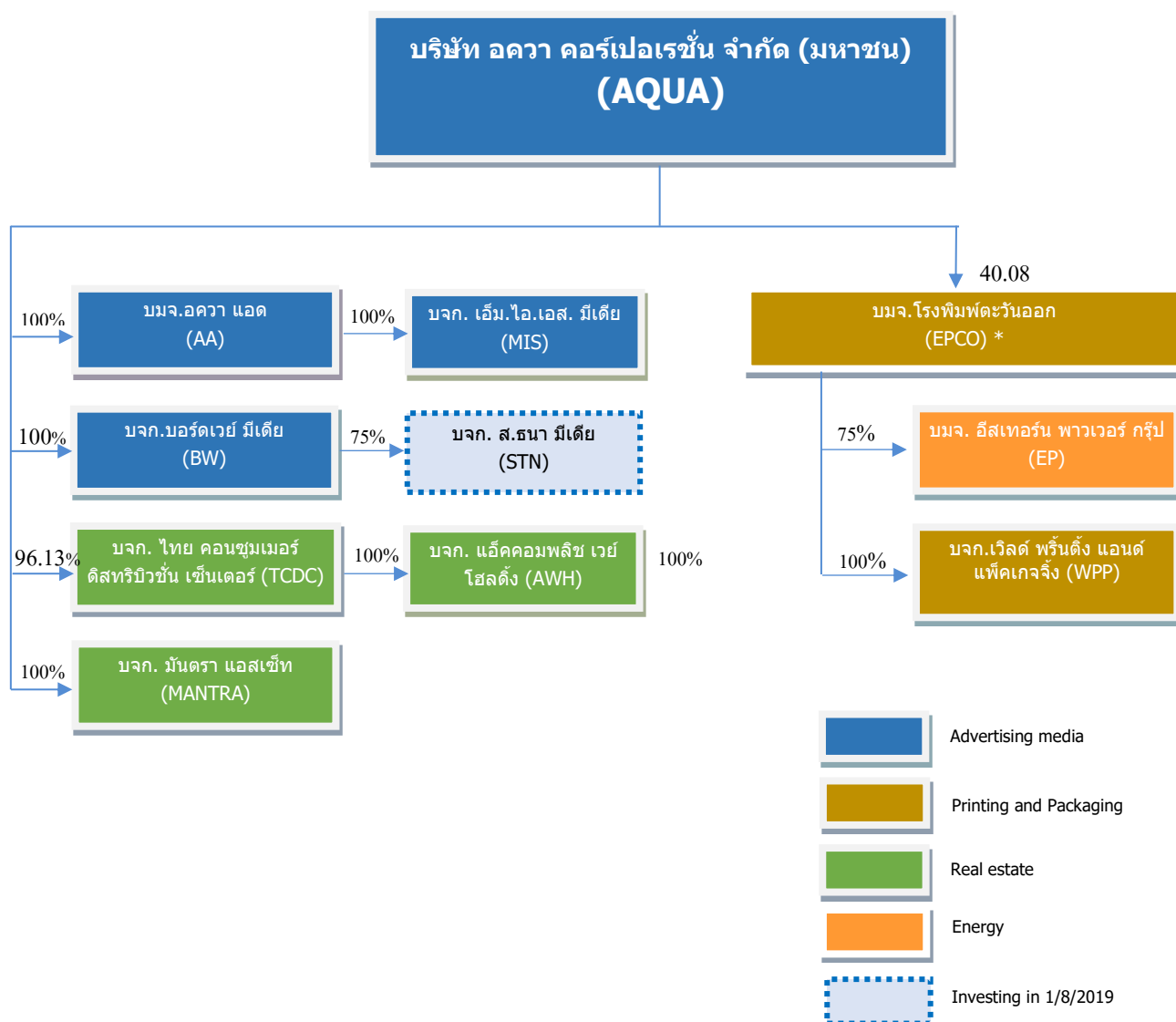
1. Out of Home Media business under group of Aqua Ad Public Company Limited ("AA") and group of Boardway Media Company Limited ("BWM")
2. Printing and Packaging Business, under the group of Eastern Printing PCL ("EPCO") and World Printing and Packaging Co.,Ltd. ("WPP")
3. Renewable energy business through EPCO's subsidiary, Eastern Power Group Public Company Limited ("EP").
4. Warehouse rental and services under Thai Consumer Distribution Center Public Company Limited ("TCDC") and Accomplish Way Holdings Company Limited. ("AWH")
5. Real estate for rent and services under Mantra Assets Co., Ltd. ("Mantra")

As of 31 December 2019, the operations are as follows:



1.5 Shareholding Structure of the group Company

As of December 31, 2019, the Company had direct subsidiaries, indirect subsidiaries and associates companies in total of 8 companies as follows :



Note:

* Shareholding structure of EPCO can be considered from 56-1 and 56-2 of EPCO

Details of the subsidiaries and associated companies are as follows:

Aqua Ad Public Company Limited (“AA”)

- Shareholding
Aqua Corporation Public Company Limited (“AQUA”) holds 100%
- Status related to the company
Subsidiary
- Type of Business
Operates Out of Home Media , Works mainly focusing on Billboard.
- Financial Highlights

Unit: Million Baht	Consolidated			Separate		
	2019	2018	2017	2019	2018	2017
Total Assets	566.52	571.00	580.81	555.76	561.99	574.16
Total Liabilities	99.64	108.34	65.96	90.19	98.43	60.05
Shareholders’ Equities	466.88	462.66	514.85	465.57	463.57	514.11
Total Revenues	352.52	354.19	311.63	335.79	339.82	301.40
Net Profit	59.19	59.03	28.97	56.97	60.67	28.23
Net Profit per Share	0.1463	0.1459	0.0716	0.1409	0.1500	0.0698
Dividend per Share	-	-	-	0.130	0.295	0.050

M.I.S. Media Co., Ltd. (“MIS”)

- Shareholding
Aqua Ad Public Company Limited (“AA”), invested at April 4, 2017, holds 100%
- Status related to the company.
Indirect subsidiaries
- Type of Business
Operates Out of Home Media , Works mainly focusing on Billboard in the Northeastern region.
- Financial Highlights

Unit: Million Baht	2019	2018	2017
Total Assets	28.01	20.88	18.83
Total Liabilities	15.04	15.60	15.09
Shareholders’ Equities	12.98	5.28	3.74
Total Revenues	20.23	15.63	12.36
Net profit (loss)	7.69	1.55	2.67
Net profit (loss) per share	769.31	154.52	266.86
Dividend per Share *	-	-	-

Notes * The Annual General Meeting of Shareholders for the year 2018 held on March 27, 2018, has resolved to pay dividends based on the profit for the year 2017 and retained earnings of Baht 13.07 million to the shareholders.

Boardway Media Co., Ltd. (“BW”)

- Shareholding

Aqua Corporation Public Company Limited (“AQUA”) holds 100%.

- Status related to the company.

Subsidiaries

- Type of Business

Operates Out of Home Media , Works mainly focusing on LED.

- Financial Highlights

Unit: Million Baht	Consolidated	Separate		
	2019	2019	2018	2017
Total Assets	1,355.95	1,317.71	849.78	694.85
Total Liabilities	1,155.90	1,133.07	647.14	504.19
Shareholders’ Equities	200.05	184.64	202.64	190.66
Total Revenues	476.31	437.31	356.73	322.18
Net profit (loss)	16.94	1.53	11.98	(9.99)
Net profit (loss) per share	17.28	1.56	12.23	(10.10)
Dividend per Share	-	20.00	20.00	-

S.Thana Media Co., Ltd. (“STN”)

- Shareholding

Boardway Media Company Limited (“BW”) holds 100%, the acquisition date was July 31, 2019.

- Status related to the company.

Indirect subsidiaries

- Type of Business

Operates Out of Home Media , Works mainly focusing on billboards.

- Financial Highlights

Unit: Million Baht	2019	2018	2017
Total Assets	65.43	69.62	70.02
Total Liabilities	22.93	27.83	28.90
Shareholders’ Equities	42.50	41.79	41.11
Total Revenues	96.81	107.94	100.88
Net Profit (loss)	30.90	36.74	17.47
Net Profit (loss) per Share	617.96	734.76	349.41
Dividend per Share	600.00	400.00	-

Thai Consumer Distribution Center Co.,Ltd (“TCDC”)

- Shareholding

Aqua Corporation Public Company Limited (“AQUA”) holds 96.13% and Batam Holding Limited holds 3.87%

- Status related to the company.

Subsidiary

- Type of Business

Main business is warehousing and service. The main customers are Unilever Group. There are currently of 2 warehouse with lettable space approximately 108,800 square meters on operated on the land area of 211-0-25 rai locates at 39, 39/1 Moo 11, ro.pho.chao Namdaeng - Klong Prawet Buri Rom. Suwinthawong Road. (Tor lor 304) Khlong Preng Sub-district, Muang District, Chachoengsao Province.

- Financial Highlights

Unit: Million Baht	Consolidated			Separate		
	2019	2018	2017	2019	2018	2017
Total Assets	3,333.67	3,276.78	3,270.60	3,069.51	3,034.07	3,008.65
Total Liabilities	1,586.76	1,739.36	1,897.21	1,417.65	1,547.54	1,675.59
Shareholders’ Equities	1,746.91	1,537.42	1,373.39	1,651.87	1,486.53	1,333.06
Total Revenues	353.15	305.24	356.94	287.26	280.30	321.73
Net Profit	212.06	169.12	205.67	167.91	158.56	188.64
Net Profit per Share	125.18	99.83	121.41	99.12	93.60	111.36
Dividend per Share	-	-	-	-	2.00	3.00

Accomplish Way Holdings Co., Ltd (“AWH”)

- Shareholding

Thai Consumer Distribution Centre Company Limited (TCDC) holds 100%.

- Status related to the company.

Indirect subsidiary

- Type of Business

Main business is warehousing and service. With a warehouse area of 13,845 square meters on land area 13-1-74 rai locates at No. 342 Moo 2 Tambon Khlongjig, Bangpa-In District, Ayutthaya.

- Financial Highlights

Unit: Million Baht	2019	2018	2017
Total Assets	408.46	385.47	404.71
Total Liabilities	170.66	191.82	221.63
Shareholders’ Equities	237.80	193.64	183.08
Total Revenues	70.35	49.36	51.82
Net Profit	47.31	15.96	26.03
Net Profit per Share	105.13	35.47	57.85
Dividend per Share	-	7.00	12.00

Mantra Assets Company Limited (“MANTRA”)

- Shareholding

Aqua Corporation Public Company Limited (“AQUA”) holds 100%.

- Status related to the company.

Subsidiary

- Type of Business

Operate real estate for rent and services provided by the Cabin Chiang Mai Company Limited for rent to run the rehabilitation business (Retreatment Center).

- Financial Highlights

Unit: Million Baht	2019	2018	2017
Total Assets	764.74	724.93	719.74
Total Liabilities	537.06	504.30	506.72
Shareholders’ Equities	228.68	220.63	213.03
Total Revenues	71.16	67.75	262.13
Net Profit	28.05	27.60	195.26
Net Profit per Share	28.05	27.60	195.26
Dividend per Share	20.00	20.00	20.00

Eastern Printing Public Company Limited (“EPCO”)

- Shareholding

Aqua Corporation Public Company Limited (“AQUA”) holds 40.08% and the remaining shareholding structure of EPCO can be found on the Stock Exchange of Thailand's website, because EPCO is a listed company.

- Status related to the company.

Associated Company

- Business Type

Providing integrated printing and packaging businesses, since 2011 EPCO has expanded to invest in renewable energy by investing in a construction of solar power plants. At the present, the summary of solar power plant projects of EPCO group can be detailed as follows:

Project	Production Capacity (MW)	Commercial Operation Date (COD)
Co-Generation Combined Power Plant	360	Year 2016
Solar power plant, type Solar Farm	20	Year 2012 - 2017
Solar power plant, type Roof Top	1.50	Year 2014 - 2015
Solar power plant, type Roof Top	4.86	Year 2016 - 2019
Solar power plant, type Roof Top	5.66	Quarter 3/2020
Solar power plant in Japan	45.96	Year 2016 - 2019
Total	437.98	

● Financial Highlights (Consolidated)

Unit: Million Baht	Consolidated			Separate		
	2019	2018	2017	2019	2018	2017
Total Assets	11,555.42	10,599.33	8,507.75	4,119.96	3,564.10	3,095.22
Total Liabilities	7,658.04	7,319.07	6,034.82	2,331.56	1,881.08	1,619.95
Shareholders' Equities	3,897.39	3,280.27	2,472.93	1,788.40	1,683.01	1,475.27
Shareholders' Equities –Part of EPCO	3,299.52	2,573.33	2,109.03	1,788.40	1,683.01	1,475.27
Total Revenues	2,103.73	1,184.66	962.63	734.92	500.84	498.38
Net Profit	901.73	408.69	231.36	196.59	34.14	51.59
Net Profit – Part of EPCO	651.72	342.77	206.42	196.59	34.14	51.59
Net Profit per Share	0.71	0.41	0.26	0.21	0.04	0.07
Dividend per Share (*)	-	-	-	0.20	0.15	0.16

Notes (*) EPCO announced the dividend payout from each year operation as follows:

Year 2019 cash dividend Baht 0.20 per share

Year 2018 cash dividend Baht 0.15 per share

Year 2017 cash dividend Baht 0.11 per share and common stock dividend at the rate of 20 existing shares to 1 stock dividend or equal to stock dividend payout ratio of Baht 0.05, total dividend of Baht 0.16 per share.

2. Type of Business

Revenue structure of the Group Company

The revenue structure from the business of the Company and its subsidiaries from 2017-2019 can be categorized as follows:

Type of revenues	2017		2018		2019	
	MB	%	MB	%	MB	%
1. Revenue from advertising:						
1.1 Advertising revenue - Static	333.96	24.21	361.25	29.52	384.49	25.17
1.2 Advertising revenue - LED	154.08	11.17	311.57	25.46	403.05	26.39
1.3 Other income	96.25	6.98	22.78	1.86	21.01	1.38
Total	584.28	42.36	695.60	56.83	808.55	52.93
2 Revenues from warehouse business:						
2.1 Revenues from rental and service	283.81	20.58	289.40	23.65	271.04	17.74
2.2 Gain from change in fair value in real estate	69.30	5.02	15.50	1.27	76.31	5.00
Total	353.11	25.60	304.90	24.91	347.35	22.74
3. Revenues from real estate, rent and services:						
3.1 Revenues from rental and service	37.59	2.73	65.44	5.35	66.56	4.36
3.2 Loss from changes in fair value in real estate	223.94	16.24	(0.49)	(0.04)	2.31	0.15
Total	261.53	18.96	64.95	5.31	68.87	4.51
4. Share of profits from associates : EPCO	79.56	5.77	136.05	11.12	261.21	17.10
Total	79.56	5.77	136.05	11.12	261.21	17.10
5. Other income:						
5.1 Reversal of debt loss	1.27	0.09	3.74	0.31	0.53	0.03
5.2 Hire – purchase interest income	0.15	0.01	-	-	-	-
5.3 Gain on the disposal of investment	33.97	2.46	-	-	14.83	0.97
5.4 Gain on the disposal of foreign entities	6.53	0.14	-	-	-	-
5.5 Interest incomes	13.25	0.96	4.97	0.41	3.30	0.22
5.6 Other	45.70	3.31	13.70	1.12	22.88	1.50
Total	100.87	7.31	22.41	1.83	41.54	2.72
Total revenues	1,379.35	100.00	1,223.91	100.00	1,527.52	100.00

Notes :

1. The operations of Media Business the group company since 2017 -2019 are as follows :

- 1.1 On February 21, 2017, Aqua acquired of 90% of the registered and paid-up ordinary shares of Boardway Media Co., Ltd., and now increase the shareholding proportion from 90% to 100%
- 1.2 On April 4, 2019, AQUA AD PLC. (the subsidiary, the Company holds 99.99% of the total shares) purchased the ordinary shares in M.I.S Media Co., Ltd. at 100% of the registered capital.
- 1.3 On July 31, 2019, Boardway Media Co., Ltd. (the subsidiary, the Company holds 100% of the total shares) purchased the ordinary shares in S. Thana Media Co., Ltd. at 100% of the registered capital.

2. In Quarter 1/2016, Mantra Asset the Company invested in the real estate for rental and service business and started to recognize income for Phase 1 since April 2017 and realize full income for the entire project from August 2017 going forward.

2.1 Hire Purchase Business

In the past, the Company operates hire purchase under “Distar” brand which includes household electrical appliances, office equipment, motorcycles and others, with pre-sale and after-sale service to middle-income customers, non-municipal residents in various province across the country. On February 21, 2007 and taxies due to the unworthiness of the operating cost. At the present, nearly all of The Company’s receivables portfolio of are considered write-offs in order to comply with the relevant laws. Later on, if receivables make the payment to the subsidiary, the subsidiary will collect the cash and records the amount as revenues in terms of bad debt recovery. For the receivables that had not been written off, the subsidiary has set a full amount of a provision for doubtful accounts.

Hire-Purchase Receivables

Receivables from the operations of the Company and its subsidiaries as of the end of the year as follows:

	Unit: Million Baht	
	Consolidated and	
	Separate	
	Year 2019	Year 2018
Hire purchase receivables and financial lease receivables		
Finance lease receivables	2,979	2,979
<u>Less</u> interest income which has not yet been considered as income	(223)	(223)
Total	2,756	2,756
<u>Less</u> Allowance for doubtful accounts	(2,756)	(2,756)
Net	-	-

Notes: Receivables from the above table. The company has set aside a full amount of doubtful debt.

2.2 Media advertising business

This business is the service and production of the outdoor media (Out of Home Media) with a variety of formats, sizes, locations, and presentation techniques in order to responses to the needs of different customers. The group company provides comprehensive media advertising services such as planning and consultation services, and building the media network together with media production, installation and maintainance throughout the service period.

The operation of Advertising business of the company group by providing two main types of services as follow:

1. Static Outdoor
2. Digital Media

Details of each types of billboard

1. Static Outdoor

A various billboard both small and large located along the main road, superhighway and outside buildings installed to cover the business and residential area in Bangkok and surrounding area including large cities throughout the country. The

Static Outdoor production can use various materials in order to make the advertisement on the billboard suitable with products characteristics and attract the crowd. There are 2 types of income from business operation. First is revenue from rental advertising media and another is revenue from media production. Customers who rent the company's advertising media must allow the company to produce the advertising image in order to protect in image guarantee by

- ❖ Billboard structures use materials comply with the industry standard through weight calculation, wind resistance from professional and experienced engineer.
- ❖ The back support is installed using metal and non-metallic materials such as aluminum sheet, galvanized sheet and vinyl.
- ❖ Static Outdoor media structure can be classified as Mono Pole, Double Column and Steel Truss on ground and buildings, including with a light box billboards which is installed under superhighway along the road Ekkamai-Ramintra (Serie Poster).

		
(Mono Pole)	(Double Column)	Steel braided cobwebs on the ground
		
Steel braided cobwebs on buildings	Light box advertising media	

At the end of the year 2017-2019, the group company had static outdoor media in the following locations:

Locations	Numbers of Media Structure (unit)		
	Year 2019	Year 2018	Year 2017
Along side main roads in Bangkok and vicinity areas	213	173	192
Along side main roads in other provinces	146	114	113
Total	359	287	305
Occupancy Rate (%)	51.53	52.82	45.86

2. Digital Media

Digital Media is the electronic media that can display emotions and feelings from the movements and sounds generated by the media. This media format attracts audience, stands out at nighttime, and is very popular nowadays. The company focuses on the advertising media that can create impact to the audience. Therefore, around 90% of the construction of

digital media have more than 100 sq.meters, and installation in network covering central business districts in Bangkok, in area with heavy traffic across Bangkok which can be divided into Inner Area focusing on business areas consisting of leading department stores and dense residential condominiums such as Sathorn Road, Rama IV Road, Sukhumvit Road, Asoke Road, Petchaburi Road as well as the surrounding area of the Victory Monument, Central Area focusing on secondary locations with a mix of residential houses and condominiums, and discount stores and large supermarkets such as Ratchadapisek Road, Pattanakarn Road, and Outer Area focusing on main roads surrounding Bangkok such as Chaengwattana Road, Ngarmwongwarn Road, Ram Intra Road, Bang Na Road.

Moreover, the group company expands the network to the big cities in commercial areas focusing on the provinces that have the commercial airports, and department stores. In addition, the Company also has the business partners that enhance the network expansion to the locations without the Company's own media so that the Company can offer the service for all over the country.

To match with the 4.0 Life Style, the group company has partnered with the TV Channel 19 Spring News to bring daily news broadcasting through our digital media network to create the liveliness for media business. It also allows the audiences to receive important news in a timely manner.

- Bangkok and Perimeter areas

Kasetsart University - Bang Khen	Mega X - Palladium Shopping Mall Pratunam intersection	Thai-Belgium Intersection - Khlong Toei
Sukhumvit 3, Soi Nana Nuea	Victory Mall - Victory Monument	Ram Intra Expressway
Suvarnabhumi Series Pole (Inbound)	Suvarnabhumi Series Pole (Outbound)	

- Provincial

Buri Ram Province	Udon Thani Province - 5 Namphueng Intersection	Nakhon Ratchasima Province
Phuket Province	Songkhla Province-Hat Yai	Suphan Buri Province

The locations of digital media can be classified below:

Location	Number of screens		
	Year 2019	Year 2018	Year 2017
Bangkok and Perimeter areas	86	53	23
Provincial	27	26	19
Total	113	79	42
Occupancy Rate (%)	69.02	72.34	52.97

2.3 Warehouse Rental and Service Business

The company operates a rental and service warehouse which is developed to customer's need (built-to-suit) which mostly are large projects. The next plan will begin to develop a ready built in order to provide services for both types. Built-to-suit will support the need of some key customers while ready built will support the new smaller customers based and operate the business that suitable with the current market demand.

Warehouse 1 - 2	Warehouse 3	Warehouse 4

Details of the warehouses as of 31 December 2018 are as follows

Warehouse	Location	Occupancy (%)	Leaseable area (Sq.M.)
1	Klong preng, Chachoengsao province	100	47,102
2	Klong preng, Chachoengsao province	100	61,800
3*	Tambon Klongjik Amphur Bangpra-In Ayutthaya	-	4,525
4	Tambon Klongjik Amphur Bangpra-In Ayutthaya	100	9,320
Total		96.31	122,747

* Warehouse No.3 is seeking a new tenant for the area of 4,525 sq.m.

2.4 Real Estate Rental and Service Business

The company operates a rental and service real estate business by purchasing land in Chiang Mai and built a resort for eco-rural tourism and agriculture according to customer needs to cater to the retreatment Center long term lease.



Details of the warehouses as of 31 December 2019 as follows:

Location	Occupancy (%)	Land Area	Leaseable area (Sq.M.)
Mae Rim district, Chiang Mai Province	100	34-1-62.6 Rai	11,093

Competition and Industry Trend

Electrical Appliances Industry & Competition and Hire-purchase Business Operator

As the company has ceased the operation of hire-purchase loan for electrical appliance and others since 2007 as already informed. The company has evaluated that this information doesn't affect to investors' decision and the disclosure of this information may not reflect to the actual situation. Therefore, the company has decided to discontinue to disclose this information.

Services and production of media advertisement

Competitive Strategy

There are two main types of the company's advertising media that currently provide. Those are Static Outdoor and Digital Media which are distributed to important area throughout the country. The portion in Bangkok is 63% and 42 provinces in up-country is 37% resulting in the company's advertising media is being seen by all groups of people, age and occupation. At the end of 2019, the total area of Static Outdoor media was 138,554 sq.m from 359 billboards. And the total area of Digital Media was 13,594 sq.m from 113 billboards the average advertising area is approximately 121 sq.m / digital screen.

The company's target is to maintain the market share in out of home media business to be 1 of 3 in this industry by defining the following strategy:

1. Select an area to create advertising media that can be a landmark for an area such as a large static outdoor advertising media on the outbound Suvarnabhumi Airport motorway for Bangkok Bank customer. And a sign in Pak Chong district Nakhon Ratchasima for Singha Corporation customer. Including digital media at Mega X Pratunam junction which has an area more than 1,500 sq.m. It is considered as one of the largest advertising billboards in Thailand to create recognition in brand for customer and the company.
2. Choose to create digital advertising media that has more space than 120 sq.m in order to make an impact with the public and being the most prominent attraction in that area in order to make value for customer that use company's service.
3. Expansion of billboards to cover all area throughout Bangkok and up-country to create a network that can be able to communicate with as many consumers as the advertising market demand.
4. Group the billboards to present to organization customers for long term lease such as divided by region or grouping billboards that cover the whole country.
5. Providing a flexible service and facilitating customer to convince them purchase the service as well as increasing confidence in the service by sending broadcast report with Log file and solving LED screen problems quickly within 24 hours.
6. Enhancing an ability beyond distributing advertising by doing live special activities including increasing media's potential by using technology with digital screen such as interactive activities.
7. To attract the attention of public and match with a lifestyle of 4.0 era, the company coordinates with TV channel 22 Nation News to report important news every hour to meet the lifestyle of the new generation who spend most of their time outside the home. To create colorful and lively environment for advertising media including allowing people to receive the important news in a timely manner.

The company focuses on using technology to increase the effectiveness of existing advertising media. Implementing new innovations that can add value to advertising media and can truly meet the market demand. Including adding other types of advertising media in order to add more alternatives to customers by searching for various types of technology from foreign advertising media regularly. Both studying from leading international advertising magazine and sending a team to explore in foreign advertising media in order to apply technology appropriately.

Target Customers

The company's customer can classify into 2 groups by the following:

1. Agency

Advertising Agency acts as the representative of the owners of the product or service in contracting the company to produce and install billboard for their own product or service.

2. Direct

Private company, Government's organization and general enterprise who are in a various business which are the owners of the product and service directly. This kind of customer will contact the company without going through the advertising agency in order to allow the company to be a producer and also install the billboard following the agreed details.

In the year 2017 - 2019, the company has the proportion of revenue divided by the types of customers as follows :

Year	Agency			Direct			Total Revenue
	Number of customer	Revenue (million baht)	(%)	Number of customer	Revenue (million baht)	(%)	
2019	99	542.62	65.18	221	289.92	34.82	832.54
2018	114	497.79	70.26	176	210.71	29.74	708.50
2017	85	357.01	61.14	209	226.91	38.86	583.92

Top 10 customers based on total revenues during 2017-2019 can be summarized as follows:

	2019	2018	2017
Aggregated revenue of top 10 customers (million baht)	473.31	335.41	280.46
Proportion of aggregated revenue of top 10 customers to overall revenue	56.85%	47.34%	48.03%

Industry Trend and Competition

Advertising through various media is generally accepted as an effective tool in marketing which benefits to the company in both long and short term. For instance, it could help the company increase sales, improve the awareness in the product, be the effective tool for communicating with consumers including create a brand loyalty, etc. The producers who advertise through various medias will gain the competitive advantage than the producers who do not.

Due to the cost of advertising media consist of expense from marketing activity of all business sectors, the advertising expense is likely to varies according to the country's economic condition. In a good economic period, the producer will have an incentive to increase the advertising expense in order to get more market share in customer purchasing power. When the economy is recession, the producer can reduce advertising budget easily when compare with reducing other business such as downsizing the employee.

The overall picture of the advertising industry in 2019 has a value of 1.05 trillion baht which increased from 2018 by 0.11%, representing the value of 115 million baht. The summary of comparing of media usage for the year 2018-2019 will be the following:

Type	Year 2019 (MB)	%	Year 2018 (MB)	%	Change value (MB)	Growth (%)
TV / Digital TV	69,148	65.44	67,948	64.37	1,200	1.77
Cable / Satellite	2,266	2.14	2,434	2.31	(168)	(6.90)
Radio	4,735	4.48	4,797	4.54	(62)	(1.29)
Newspaper	4,634	4.39	6,100	5.78	(1,466)	(24.03)
Magazines	1,046	0.99	1,316	1.25	(270)	(20.52)
Theaters	8,838	8.36	7,383	6.99	1,455	19.71
Out of Home Media	6,927	6.56	6,833	6.47	94	1.38
Transport	6,586	6.23	6,082	5.76	504	8.29
In store media	1,040	0.98	1,060	1.00	(20)	(1.89)
Internet media	453	0.43	1,605	1.52	(1,152)	(71.78)
Total	105,673	100.00	105,558	100.00	115	0.11

Sources of information The Nielsen Company (Thailand) through the Website Advertising Association of Thailand. www.adasso thai.com

In 2019, the value of using the media as a whole increased by 0.11 % from 2018, the media sector was growing, with seven types of media including TV and Digital TV valued at 69,148 million baht growing 1.77%, Theaters valued at 8,838 million baht growing 19.71%, Billboards valued at 6,927 million baht growing 1.38%, and Transport media valued at 6,586 million baht growing 8.29%.

The sectors within the Media Industry that are in decline are cable and satellite media, worth 2,266 million baht, down 6.90% Radio valued at 4,735 million baht down 1.29% Newspapers worth 4,634 million baht down 24.03%, magazines worth 1,046 million baht down 20.52%, In store media valued 1,040 million baht down 1.89% and Internet media valued at 453 million baht, down 71.78%

In 2020, the overall of media business remains sluggish continued, ad spending should gradually decrease, even though online and out-of-home media continue to grow but cannot replace the contraction of original media.

Warehouse rental and service business

Competitive strategy

The Group started as a developer of warehouse and distribution centers that are built according to the needs of tenants. (Built-to-suit) By giving priority to create more value for tenants in management of logistics costs, caring and understanding the needs and business models that are specific to customers. In order to develop and design a warehouse project in a special manner choose a location to meet the needs; deliver the project and deliver the space on time with the appropriate rental that ensure tenants can be confident that renting of warehouses from our group of companies can help increase logistics management efficiency. As a result, the group has been entrusted by the existing customers to expand the warehouse project to a larger size, from a rental area from 47,000 square meters to 108,800 square meters.

In addition, the Group has a plan to develop and expand continuously. Both from current customers and new customers, with the strategies to enhance the company competitiveness as follows:

1. Quality of warehouse and distribution center project with design that meets the specific needs of the tenant to increase their efficiency of logistics management.
2. The quality of the Warehouse Distribution Center creates ready-made models for general customers (Ready Built) to support the needs of expanding existing customers and the needs of general customers.
3. Comprehensive service.
4. Experience and expertise.
5. Choosing a location that is a strategic location for logistics and able to meet the needs of customers in terms of transportation and the time it takes to transport and distribute the product. Choosing the location will be a joint decision-making process between the tenant and the company group. This will bring various factors whether directly or indirectly, short-term or long-term impacts that will affect the business of the tenant, and to consider together other things such as transportation routes, product sources and benefits from the government sector, etc.

Characteristics of target customers

1. Manufacturers and distributors of products from both domestic and overseas, distribution to customers and consumers in Bangkok, suburbs and other regions of the country as well as the countries of the ASEAN Economic Community (AEC). Warehouse and Distribution Centers are necessary and an important factor for the efficiency of the business and the overall logistics costs of this group of tenants.

2. The Third-Party Logistics providers: 3PLs are leading companies from foreign countries who have expertise in warehouse management and stock management and managing logistics by acting as a supervisor for distribution particularly for clients that do not have core competency in distribution. These companies will invest in building a distribution network, from the procurement of transportation vehicles, seeking warehouse supply, recruitment of personnel, equipment and operation support systems, and specialized and tailor's made software, etc.

Total rental space of the group classified by customer group as at 31 December 2019.

	Group of customers	Rental area (sq.m)	%
1	Consumer products manufacturers	108,902	100.00
2	Logistics service provider	13,845	67.32
	Total	122,747	96.31

Total rental space of the group classified by type of lease term remaining as at 31 December 2019

	Lease term	Rental area (sq.m)	%
1	1-3 years	56,422	100
2	More than 3 - 5 years	61,800	100
3	More than 5 – 10 years	-	-
	Total	118,222	100

Industry trends and competitive conditions in the industry

- General warehousing business in the next 1-3 years is still stable. Although the demand for space rental will continue to increase as a result of investment in the industrial sector which is likely to grow with the trade and service sector in the country continues to expand, especially in the electronic commerce business. (e-commerce). But the continual investment into warehouse space may result in the over supply of warehouse space in some areas making it difficult to increase the rent.
- Refrigerated/Cold Storage warehousing business, and silo (which is related to the agricultural business) is still sluggish because of high vacancy of warehouse space.
- Warehouses in locations that is likely to continue to grow in the future, including areas in industrial areas in both Bangkok and the vicinity, and the area around the Eastern Economic Corridor (EEC). The regional border province which has benefited from the development of Special Economic Zone (SEZs) as well as warehouse areas in which Thai Companies invested in neighboring countries.

In terms of investment, general warehouse space is expected to increase. Especially from the investment group, real estate companies and industrial estates will tend to expand more modern warehouse space, which will make the business competition more intense and the rental rate stable for general warehouses. In some locations where there is an opportunity for the business to grow and increase revenue in the future such as:

- Warehouses in close proximity to production sites: Expect more demand in existing industrial areas and new target areas under government support, such as Bangkok and its surrounding areas, Eastern Economic Corridor (EEC). Regional Center Province, border provinces and surrounding areas that may be expected to benefit from the progress of the SEZs area development project such as (Tak, Mukdahan, Sa Kaeo, Trat, Songkhla, Chiang Rai, Nong Khai).
- Warehouse in the location near the consumer market: There is still a need to use as a distribution center close to the consumer and is the center for the expansion of the online trading market, where speed of delivery is important to customers, such as Bangkok and the surrounding provinces and the provincial center of high growth such as Chonburi, Phitsanulok, Nakhon Ratchasima, Khon Kaen, Ubon Ratchathani, Surat Thani

In addition, there are few standardized warehouses in this region, and many countries are opening up their markets for investors from ASEAN countries to invest more in warehousing businesses, such as Vietnam open for 100% stake for ASEAN investors, Indonesia 49- 51%, Cambodia 49%, and Philippines (40%). The growth prospects of neighboring countries and the tremendous expansion of industrial investment in these countries combined with the growing border trade will support the demand for warehouse space causing entrepreneurs to expand their warehouse business to neighboring countries and can obtain more revenue.

Real estate for rent and services

The operation of this business will be similar to that of warehouse for rent and service as the Company developed the property in order to serve customer's needs (Built-to-Suit). The company's customers operates the retreatment center and has been doing this business with many years of experience.

3. Risk Factors

3.1 Risk of a return on investment in new business is not in line with expectation

The company will have revenue from dividend from the investments in its subsidiaries and associates. Therefore, operating results and ability to expand business of Aqua Ad Public Company Limited, Real estate for rent and services by Thai Consumer Distribution Center Company Limited and Mantra Asset Company Limited including printing and energy business by Eastern Printing Public Company Limited and / or other businesses that the Company believes in their potentials are important factors affecting revenue in the future which the Company may not have expertise in business that invested and heavily rely on the other shareholders in the business operation. Moreover, the new business is also the main revenue of the Company in the future. Therefore, the Company has risk of the performance of the invested companies are not in line with the Company's expectation which may affect the impairment of investments and also affect the Company's operations continuously. But since the Company has a policy of investment appraisal that is very strict, including considering the opportunities for business growth, checking the status of companies before investment, as well as after the investment the Company will send representatives to help control and administrate the business which could help reduce the risk to some extent.

Last year, the Company has details of investment capital as follows;

Company	Shareholding as of Dec 31, 2019	Type of business	Risks and Solutions
Aqua Ad Public Company Limited (AA)	100% of total paid-up capital	Out of Home Media , focusing on billboards.	<p>The Company invested in AA and expects to receive returns in the form of dividends that are higher than deposits with financial institutions. In 2019 and 2018, AA dividend accounted for 10.88% and 24.6%, respectively compared to investment</p> <p>Reasons that may causing returns did not meet the target consist of.</p> <ol style="list-style-type: none"> 1) Billboard with incomplete permission documents may be dismantled. 2) Political problems affect the economy directly and the suspension of advertising budget for certain types of businesses. Because the source of billboard advertising assets come from buying from other operators mostly which were include both billboard that submitted the permission evidence and some parts cannot be submitted. However, after the Company got billboard as the Company's assets, the Company has complied with all laws including. 1) Payment of annual billboard tax 2) Stability safety inspection according to the Building and Billboard Control Act every year. 3) Maintenance according to the advice of engineer who checks for stability. 4) Preparation of billboard insurance and 3rd person

Company	Shareholding as of Dec 31, 2019	Type of business	Risks and Solutions
Boardway Media Co., Ltd (BMW)	100% of total paid-up capital	Out of Home Media , focusing on LED.	<p>On 21 February 2017, the Company invested in BMW's shares in the proportion of 90% and increased its stake from 90% to 100%. The Company expects to receive returns in the form of dividends that are higher than deposits with financial institutions and to enable the Company to have a complete digital LED network throughout the country which will help media planning to reach wider consumers and affect the growth opportunities of ad spending.</p> <p>From the past performance, BMW is in the process of expanding the number of LED digital signage to cover the whole country and expanded the sign completely according to the plan in 2018.</p> <p>In 2019 and 2018, BMW paid the dividends at the ratio of 2.84% and 2.86% respectively, when compares with the investment.</p>
Eastern Printing Public Company Limited (EPCO)	40.08 % of total paid-up capital	Printing and Packaging , Renewable Energy	<p>In 2010, the Company started to invest in EPCO. The Company expects to receive returns in the form of dividends higher than deposits with financial institutions.</p> <p>In 2019 and 2018, EPCO paid the dividends at the ratio of 9.49% and 6.83% respectively, when compares with the investment.</p> <p>Reasons that may causing returns did not meet the target such as digital and electronic access making the format of reading from books or publications changed that may affect the printing business.</p> <p>However, EPCO has expanded its investment into the energy business by operated under a subsidiary named Eastern Power Group Public Company Limited ("EP") which is a business with high income stability and a good rate of return including investing in World Printing and Packaging Company Limited ("WPP"). Because the currently consumers behavior has switched to E-commerce many times more, so EPCO has a policy to expand the business regarding packaging which is a business that the Executives have more than 20 years of experience.</p>
Aura Dream Company Limited	5.98% of total registered capital	Operate hotel 209 rooms and serviced apartments 88 rooms in	<p>The Company expects to receive returns in the form of dividends higher than deposits with financial institutions. On 19 May 2015, the project was opened under the name of "Mida Hotel Dvaravati Grand".</p>

Company	Shareholding as of Dec 31, 2019	Type of business	Risks and Solutions
		Nakhon Pathom Province.	Reasons that may cause returns did not meet the target such as the hotel is not popular with users which may affect the operating results, making it impossible to pay dividends. However, such hotel is a new option for users. There are things that make users decide to use the service such as newer, more modern and luxurious compared to other hotels with the same amount of rooms.
Thai Consumer Distribution Centre Co., Ltd (TCDC)	96.13% of total registered capital	Operates warehouse for rent and service business.	In June 2014, the Company invested in TCDC that expects to receive returns in the form of dividends higher than deposits with financial institutions. Reasons that may cause returns did not meet the target such as there is no obligation to repay the loan to the financial institution for a period of 10 years from 2015 may cause the remaining cash can not be paid dividends. However, the company is considering the asset management under the Real Estate Investment Trust ("REIT") to increase liquidity and to increase the investment for the company.
Mantra Assets Co., Ltd (MANTRA)	100% of total registered capital	Real estate for rent and service business	In 2016, MANTRA purchased land in Chiang Mai to develop into a resort-style building in order for The Cabin Chiang Mai Company Limited (CABIN) to rent all assets to operate retreatment center business for a period of 10 years and it can renew the lease for another 10 years. Reasons that may cause returns did not meet the target such as CABIN does not comply with the contract or may cancel the contract before maturity. However, in the contract, the Company requires CABIN to pay the remaining rent, if canceling the contract before 10 years which is not the fault of the Lessor with bank guarantee for 75 million Baht for the first 4 years, 50 million Baht for next 3 years and 25 million Baht for the next 3 years including cash in the amount of 26 million baht as collateral under this contract. In 2019 and 2018, BWM paid the dividends at the ration of 2,473.95% respectively, when compares with the investment.

Advertising media business

3.2 Risk of regulatory control of media advertisement

The Company group's core business is providing rental space for advertisement, production and stallation of media advertisement, focusing on outdoor advertising in a form of billboards located across Bangkok and other provinces, including billboards that the Company producted itself and purchased from vendors. Most billboards have document of a building permission under the Building Control Act, B.E. 2522 (1979), representing about 43 % of all the existing billboards. The remaining billboards of 57% of all the existing billboards, some of them lack of document of a building permission due to the purchase from the former owners who have incomplete document collection system and some did not have document of a building permission. Therefore, it is considered as risk of the Company in case that the billboards which have incomplete document of a building permission are supervised or forced to remove, affecting the Company's performance drop significantly as follows;

(Unit : Million Baht)	2019	2018	2017
Number of billboard of the Company (area)	315	258	243
Number of billboard with incomplete documents of building permission (area)	180	164	150
Percentage of billboard with incomplete documents of building permission	57.14%	63.57%	61.73%
Net book value	592.72	562.13	374.17
Revenues from advertising	436.03	352.29	243.07
Percentage of total revenues from advertising	54.23	54.96	55.61
Impact on revenues from billboard removal	(436.03)	(352.29)	(243.07)
Impact on total assets and shareholders' equity from billboard removal	(592.72)	(562.13)	(374.17)

Nonetheless, the Company and its group has not experienced difficulties in being forced to remove the Company's advertising billboards from government agencies. In addition, the Company and its group also has complied with the best practice after receiving billboards as required by rules and regulations such as payment of tax revenue for billboards which have revenue on an annual basis, constant purchase of insurance coverage for every billboard, regular monitoring of billboards' stability in line with the Building Control Act, B.E. 2522 (1979) on an annual basis, assurance of strength and stability of billboards from the Advertising and Sign Producing Association on an annual basis, and regular plan of maintenance to prolong billboards' lifespan. In addition, the Company's management has closely monitored news regarding the discussion or changes in relevant laws in order to process the document of a building permission properly, as well as consideration in investment of billboard advertising with document of a building permission to reduce the risk in this case.

In part of the costs of billboard removal, the Company has adopted Accounting Standard No. 16, Property, Plant and Equipment which determined that the Company has to estimate the costs of billboard removal as part of the initial cost of acquired property.

3.3 Risk form the recession of the economy in the country

Advertising media has direct relationship to the advertising industry and the overall economy of the country. During the recovery period, the spending volume for the advertising media will tend to increase following the increase in consumption which will benefit to the Company's business. During the recession period or having a political unrest in Thailand or other

events that affect the confidences and purchasing power of the consumer, the owners of products and services may respond by reducing the advertising budget in all kinds of media resulting in significant decline of sales.

Due to the economic slowdown in 2019 since the end of the 3rd quarter and is expected to continue until 2020, it is an important issue that continues to affect advertising spending, making the overall advertising budget this year attractive. Will balance But one thing to keep an eye on is the growth of advertising spending on digital media. Which also includes the company's LED digital media Because companies see digital media as a way to reach consumers that is worthwhile and measurable. However, online and out-of-home media continue to grow. But cannot replace the contraction of traditional media And from anticipating the situation that the Covid-19 virus should begin to unravel or getting up at the end of the second quarter of the year, the advertising media industry is beginning to return. And will return to normal in the 3-4 quarters of the year. Ad spending in digital media will grow. The company is ready to provide LED digital media services that have invested significantly in 2 years ago in order to prepare for the service, including in the year 2020, the group expects that the revenue from advertising media of the group will increase by not less than 10% because in the year 2019, the company has invested in advertising media that has already earned.

3.4 Maintain the market shares

The Group focus on maintaining the market shares in the out of home media industry to be ranked in the Top 3 of the industry. During the past 3 years, it is very noticeable that the structure of the advertising media industry has been changed significantly. The customers demand for media with stylish form and that can be modified the marketing messages rather quickly. As a results, the use of advertising media has grown year over year, in 2018 growth 7.03% and 2017 growth 12.78%. Therefore, if the Company cannot adapt or develop the media to be more modern and align with consumers' needs, the Company will not be able to achieve the goal of maintaining the market share. In 2017, the Company has already invested and developed the LED media in order to meet the needs of media users.

Warehouse for rent and services business

3.5 Risk of uncollectible receivable for rental fees

The risk that the Company and its group company will not be able to collect rental fees under the leasing agreement may arise in case that customers are negatively affected from economic conditions and industrial sector or business operation, causing financial difficulty to the customers, and finally impact the ability to make payment of rental fee under the leasing agreement. This event may cause the Company and its group company the lack of liquidity and affect the repayment of debts to financial institutions, which is required to pay on a monthly basis.

However, the Company and its group company anticipate that such impact are unlikely to occur since the customers are leading international companies, highly reliable, and having financial stability, as well as the Company required tenants to place cash deposit for rental fees and / or letter of guarantee from banks. In general, the terms and conditions of the leasing agreement of most Built-to-Suit projects have specified that in case the tenant terminates the agreement before the expiration of leasing term, the tenant must pay compensation equal to the rental fee for the remaining rental period to the Company. In addition, the Company has prepared financial liquidity which is sufficient to repay the loans for 3 installment payments. If problem occurs, it will certainly not affect the Company's ability to repay debts to financial institutions.

3.6 Risk of relying on revenue from single tenant

Currently, the occupancy rate for the warehouse is 100% from 3 customers which is considered having the risk of relying on revenue from a few tenant. In case that our customers have some negative impacts from the economy, the industry or the operations causing the problems to the financial situation of the customers which could lead to breaching the contract terms, the Group will have a significant decrease in rental income.

However, the Group strongly believe that such impact will be less likely to occur due to the fact all of our customers are having the production base in Thailand and the warehouses located near the production plants of the tenants. In addition, the leaseable areas of the warehouses are larger than 100,000 sq.m.. If the tenants consider terminating the lease before time, the tenants will have to pay the penalty fees equally to the rental fees for the remaining period to the Group.

3.7 Risk of land acquisition policy for future development

The Company and its group have land acquisition policy by focusing on purchase of land which has potential for development immediately or in the near future. Therefore, the Company has no policy for accumulation of land without supportive development plan or not having a clear plan for renting to specific tenants. Due to an increase in competition of purchasing or renting land in prime locations between players, the Company may have some risk exposures to the price of land that will be escalating, or the Company may not be able to purchase the land in the desirable locations under the required costs, causing the cost of project development to go up. On the other hand, the Company may decide not to invest in the project as the return on investment may not be consistent with the financial projection.

However, the Company and its group have established a property survey and acquisition plan to be in line with the project development plans of the Company. The Company foresees that accumulation of land without supportive development plan or not having a clear plan for renting to specific tenants are not in line with the business plan, and may affect on financial liquidity. Therefore, the Company concentrates on the purchase of land based on the Company's business plan that such land must be developed for project immediately or in the near future, or the land must be suitable for the existing customers to expand as a collaborative project planning with the customers. The Company also has a policy of investment in leasehold land in some locations with regard to the feasibility study on the returns on investment as a significant factor, allowing the Company to acquire land which has potential for development as required by the tenants. Unlike other companies, The Company considers this approach a better approach than accumulation of land as it provides more flexibilities to accommodate the expansion of the tenants' business and better aspect to manage to cost of land within the appropriate level.

3.8 Risk of the fluctuation of interest rates

The operation of the Group requires high capital. As of December 31, 2019, the Company has outstanding borrowing balance of Baht 2,440.29 million consisting of the loan from financial institution amounting to Baht 1,962.62 million, and bonds amounting to Baht 477.67 million. Therefore, if the interest rates in the market rise, the Group will have high interest payment. This will have negative impact on the Group's profit.

However, loan from a financial institution of the company which has (1) floating interest rate of Baht 901.51 million (2) fixed interest rate until 16 March 2020, afterwards there is a floating interest rate of Baht 965.02 million (3) liabilities under fixed rate hire purchase loans of Baht 96.09 million and (4) loans from the sale of interest rate debentures fixed at the amount of Baht 477.67 million, most of the Company's loans have floating interest rates. However, the interest rate that the company receives from a financial institution is the interest rate for the major large customers (MLR) minus 1% to 3%, which can reduce the risk to a certain extent. Combined with the financing plan for the project development of the group that does not rely solely on the use of loans from financial institutions, but the group company in addition, the company has a policy to raise funds and raise funds from other sources in a balanced way, especially for fundraising through the stock market. And from the sale of assets through the fund which will be an important source of funds for future investments which is considered to help reduce the risk of fluctuations in interest rates by fixing a fixed interest rate (Fixed Interest Rate)

4. General information and other important information

(1) General Information of the Company

Name	: Aqua Corporation Public Company Limited
Symbol	: AQUA
Registration Number	: 0107547000397
Head Office Location	: 121/68-69 21 st Floor, R.S.Tower, Ratchadapisek Road, Ding Daeng, Bangkok 10400
Website	: www.aquacorp.co.th
Telephone	: (02) 694-8888
Facsimile	: (02) 694-8880
Business Type	: Original Company operates the sale and purchase of home appliances brand "Distar", Office supplies, Motorcycle and the other until early 2007, the Company has ceased on the all hire purchase loans. : Since 2007 operates in the managing investments in others business

On December 31, 2019 the Company had registered capital and paid up capital as follows:

Registered capital	: Bath 2,985,450,000 , divided into ordinary shares of 5,970,900,000 shares at par value of Baht 0.50 per share
Paid up capital	: Bath 2,296,500,000 , divided into ordinary shares of 4,593,000,000 shares at par value of Baht 0.50 per share
Tresury stocks	: Ordinary shares of 86,038,700 shares, the value of treasury shares amounting to Bath 66,385,217.71 และเมื่อวันที่ 13 มีนาคม 2562 ได้จำหน่ายหุ้นทุนซื้อคืนทั้งจำนวนแล้ว
Accounting period	: 1 January to 31 December

(2) Information of company that the company holds more than 10 percent

Name	: Aqua Ad Public Company Limited ("AQUA AD")
Registration Number	: 0107552000138
Head Office Location	: 121/69 21st Floor, R.S.Tower, Ratchadapisek Road, Ding Daeng, Bangkok 10400
Website	: www.aquacorp.co.th
Telephon	: (02) 694-8888
Facsimile	: (02) 694-8880
Business Type	: Out of Home Media, focusing on Billboard (Static)
Registered capital	: Baht 404,430,759 (ordinary shares of 404,430,759 shares at par value of Baht 1 each)
Paid up capital	: Baht 404,430,759 (ordinary shares of 404,430,759 shares at par value of Baht 1 each)
Accounting period	: 1 January to 31 December
Shareholding in the Company's	: 100% of registered capital

Name : **Mantra Assets Company Limited (“MANTRA”)**
Registration Number : 0105536086838
Head Office Location : 45/18 Soi Pradoo, Bangkorlaem, Bangkok 10120
Website : -
Telephon : (02) 694-8888
Facsimile : (02) 694-8880
Business Type : In 2016, the Company started doing real estate for rent and services.
Registered capital : Baht 10,000,000 (ordinary shares of 1,000,000 shares at par value of Baht 10 each)
Paid up capital : Baht 10,000,000 (ordinary shares of 1,000,000 shares at par value of Baht 10 each)
Accounting period : 1 January to 31 December
Shareholding in the Company's : 100% of registered capital

Name : **Thai Consumer Distribution Center Co.,Ltd (“TCDC”)**
Registration Number : 0105544083141
Head Office Location : 39,39/1 Moo 11 Khlong Preng Sub-district, Muang District, Chachoengsao Province.
Website : www.tcdc.co.th
Telephon : (02) 694-8888
Facsimile : (02) 694-8880
Business Type : The main business is warehouse for rent and services.
Registered capital : Baht 169,400,000.00 (ordinary shares of 1,694,000 shares at par value of Baht 100 per share)
Paid up capital : Baht 169,400,000.00 (ordinary shares of 1,694,000 shares at par value of Baht 100 per share)
Accounting period : 1 January to 31 December
Shareholding in the Company's : 96.13 % of registered capital

Name : **Boardway Media Co., Ltd. (“BMW”)**
Registration Number : 0105556182484
Head Office Location : 121/68 21st Floor, R.S.Tower, Ratchadapisek Road, Ding Daeng, Bangkok 10400
Website : www.boardwaymedia.co.th
Telephone : (02) 694-8888
Facsimile : (02) 694-8880
Business Type : Out of Home Media, focusing on LED
Registered capital : 98,000,000 บาท (ordinary shares of 980,000 shares at par value of Baht 100 each)
Paid up capital : 98,000,000 บาท (ordinary shares of 980,000 shares at par value of Baht 100 each)

Accounting period	: 1 January to 31 December
Shareholding in the Company's	: 100% of registered capital
Name	: Eastern Printing Public Company Limited (“EPCO”)
Registration Number	: 0107536000838
Head Office Location	: 51/29,51/61 Soi Vibhavadee 66 (Siamsamakhi), Vibhavadee-Rangsit Road, Talatbangkhen, Lak Si, Bangkok.
Website	: www.epco.co.th
Telephon	: (02) 551-05141-4
Facsimile	: (02) 552-0905 , (02) 551-0532
Business Type	: Printing , the end of year 2011, EPCO expanded its renewable energy business and in 2018 expanded to packaging business.
Registered capital	: Bath 1,026,076,686.00 (ordinary shares of 1,026,076,686 shares at par value of Baht 1 each)
Paid up capital	: Bath 921,572,840.00 (ordinary shares of 921,572,840 shares at par value of Baht 1 each)
Accounting period	: 1 January to 31 December
Shareholding in the Company's	: 40.08 % of paid up capital

(3) Information of other reference persons

Share Registrar	: Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building, 93 Rachadapisek Road, Din Daeng, Din Daeng, Bangkok 10400 Telephone: 0-2009-9000 Facsimile: 0-2009-9991 SET Contact center: 0 2009-9999 Website: http://www.set.or.th/tsd E-mail: SETContactCenter@set.or.th
Auditor	Miss Chaovana Viwatpanachati C.P.A. (Thailand) Registration No. 4712 Miss Wanpen Unruan C.P.A. (Thailand) Registration No. 7750 Miss Porntip Amornchailertpattana C.P.A. (Thailand) Registration No. 9589 Pitisevi Co., Ltd. 8/4 Floor 1,3 Soi Viphavadee 44 (Soi Amornphan 4) Viphavadee-Rangsit Rd., Ladyao Chatuchak, BKK Telephone 0-2941-3584-6 Facsimile 0-26941-3658

5. Securities and Shareholders information

5.1 Registered capital and paid-up capital

- 1) Registered capital and paid-up capital as at December 31, 2019 as follows.

Registered capital 2,985,450,000 Baht divided into

Ordinary shares of 5,970,900,000 shares Par value of Baht 0.50 per share.

Paid-up capital 2,296,500,000 Baht divided into

Ordinary shares of 4,593,000,000 shares Par value of Baht 0.50 per share.

- 2) The Company registered the above securities with The Stock Exchange of Thailand (SET), service industry group, media and publishing business group

5.2 Shareholders

- 1) Shareholders Structure as at March 17, 2020

Distribution of shares by nationality

Thai shareholders				Foreign shareholders			
Juristic Person	%	Person	%	Juristic Person	%	Person	%
151,812,703	3.31	4,441,107,153	96.69	0	0.00	80,144	0.00

Distribution of shares by proportion of holding

Shareholders	Number of Sharholder	Total number of share	%
Shareholders holding more than 0.5%	31	2,517,831,747	54.82
Shareholders holding not more than 0.5% but not less than one trading unit	5,046	2,075,164,695	45.18
Shareholders holding less than one trading unit.	236	3,558	0.00
Total	5,313	4,593,000,000	100.00

- 2) As at March 17, 2020 the Company has the list of top 10 major shareholders (XM), as follows

No.	Name of person / Legal entity	No. of shares (shares)	% of Issued Shares (Total 4,593,000,000 Shares)
1.	Mr.Pakorn Mongkoksada	575,401,500	12.53
2.	Mr.Khampol Viratepsuporn	426,448,700	9.28
3.	Miss Kanchanarat Wongphan	307,313,200	6.69
4.	Mr. Sutus Leangdansakul	180,000,000	3.92
5.	Saengtongaram group consists of:	166,838,800	3.63
	<i>Mr. Charionchai Saengtongaram</i>	<i>77,014,800</i>	
	<i>Mr. Housekin Saengtongaram</i>	<i>42,425,400</i>	
	<i>Mr. Patikorn Saengtongaram</i>	<i>36,350,000</i>	
	<i>Mr. Paokin Saengtongaram</i>	<i>5,100,000</i>	

No.	Name of person / Legal entity	No. of shares (shares)	% of Issued Shares (Total 4,593,000,000 Shares)
	<i>Ms.Nuchary Saengtongaram</i>	<i>3,000,000</i>	
	<i>Mr.Permpong Saengtongaram</i>	<i>1,810,100</i>	
	<i>Ms.Yupa Saengtongaram</i>	<i>687,000</i>	
	<i>Miss Peangpis Saengtongaram</i>	<i>310,000</i>	
	<i>Mr.Torpao Saengtongaram</i>	<i>100,000</i>	
	<i>Mr.Chainarong Saengtongaram</i>	<i>41,500</i>	
6.	Mr. Siriwat Wongjarukorn	80,000,000	1.74
7.	Thanachart Securities PLC.	77,035,000	1.68
8.	Thai NVDR Co., Ltd.	73,787,447	1.61
9.	Mr.Piya Chuenchomdeach	72,400,000	1.58
10.	Mr.Chanin Silcheewa	64,987,100	1.41
Total		2,024,211,747	44.07

3) The Agreement with the Major Shareholders

The Company has not signed any agreement with the major shareholders of the Company regarding the issuance and offering of securities or the management of the Company.

6. Dividend Policy

6.1 Dividend Policy of the Company

The company has a policy of paying dividends to shareholders at a rate of no less than 40% of the net profit of each year after tax and legal reserve, paying twice a year. The factors that will be considered for dividend payment are performance of operations and management, such as financial position and financial health, liquidity, business expansion plans / investment plan, etc. The comparison of dividend payment during 2017 to 2019 are detailed below:

Item	2019	2018	2017
1. Profit to be allocated (million baht)	122.38	171.04	48.38
2. Partial retained earnings (million baht)	22.66	-	-
3. Total profit to be allocated (million baht)	145.04	171.04	48.38
4. The legal reserve (million baht)	7.25	8.52	2.42
5. The calculation of dividend income (million baht)	137.79	161.83	45.96
6. Number of shares (million shares) **	4,593.00	4,593.00	4,506.96
7. Dividend paid per share (baht / share)	0.03	0.02	0.01
8. Total dividend paid (million baht)	137.79	91.86	45.07
9. Dividend paid on profits item 3 (%)	118.52 %	56.76 %	98.06

** Year 2017 Number of shares after deduction of treasury stock.

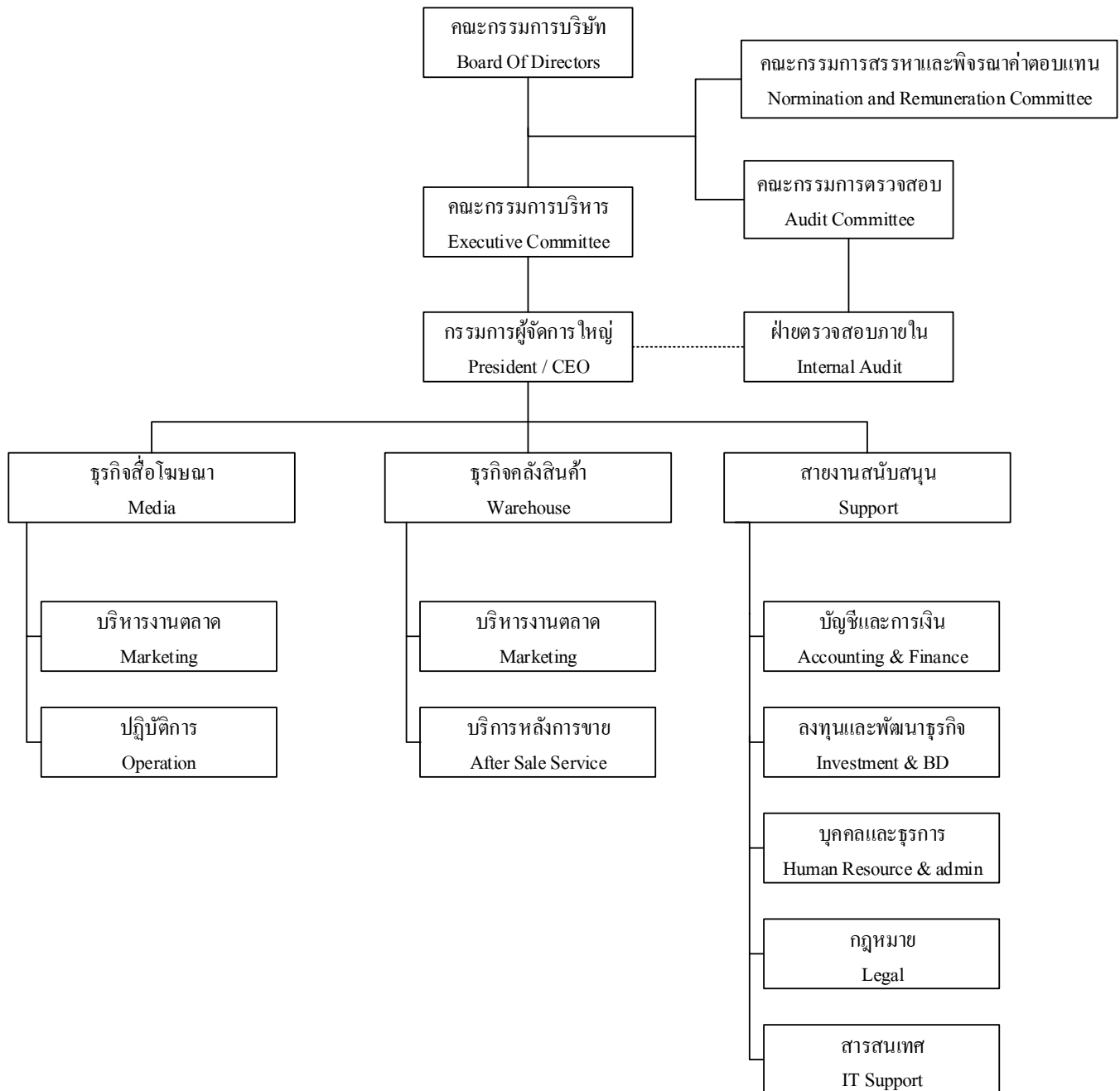
The dividend payout for the year 2019 is in accordance with the dividend policy of the Company and has been proposed to the Annual General Meeting of the Shareholders for the year 2020 to approve.

6.2 Dividend Policies of the Subsidiaries

The subsidiaries have the dividend policies by considering the separate financial statements of each company. The dividend payout rate should be no less than 40% of the net profit after tax and legal reserve, depending on the cash flows, investment plans, necessity, and appropriateness, as well as any terms and conditions that each subsidiary has with the financial institution. The dividend payment of the subsidiary must be approved by the AGM of each company.

7. Management Structure

The management structure as of December 31, 2019 as follows:



7.1 Board of Directors

The Board of Directors as at February 28, 2020 consists of 8 persons as follows:

Board of Directors

1.	Mr. Yuth	Chinsupakul	Chairman of the Board
2.	Mr. Arak	Ratboriharn	Director and President / CEO
3.	Mr. Phonlasit	Phumiwasana	Director
4.	Mr. Grisada	Jarreonkonkit	Director
5.	Mr. Korchoke	Saengtongaram	Director
6.	Mr. Pakorn	Mongkuktada	Director
7.	Mr. Sutee	Phongpaiboon	Independent Director and Chairman of Audit Committee
8.	Ms. Pranee	Rattakam	Independent Director
9.	Mrs. Podchanee	Phaosavasdi	Independent Director

Executive Committee

1.	Mr. Arak	Ratboriharn	Chief Executive Officer
2.	Mr. Phonlasit	Phumiwasana	Executive Committee
3.	Mr. Korchoke	Saengtongaram	Executive Committee
4.	Mr. Pakorn	Mongkuktada	Executive Committee

Audit Committee

1.	Mr. Sutee	Phongpaiboon	Chairman of Audit Committee
2.	Ms. Pranee	Rattakam	Audit Committee and an expertise of accounting and finance
3.	Mrs. Podchanee	Phaosavasdi	Audit Committee

Nomination and Remuneration Committee

1.	Mr. Sutee	Phongpaiboon	Chairman of Nomination and Remuneration Committee
2.	Ms. Pranee	Rattakam	Nomination and Remuneration Committee
3.	Mrs. Podchanee	Phaosavasdi	Nomination and Remuneration Committee

According to the the Company's regulation, Chapter 3, the Board of Directors, Article 11, the board of directors shall consist of the directors no less than 5 members, at least half of the members must have residences in the kingdom of Thailand and the member must be qualify by the law, and Article 19 notes that the board of directors shall elect one of the members as Chairman. In case that the board of directors consider appropriate, one or more members may be elected as vice chairpersons. The board of directors may assign one of more members to act on behalf of the board of directors.

Board of Directors as a representative of shareholders who is responsible for supervise the management of Company to comply with law, objectives and articles of association by determining vision, mission, strategies to create value for business including a return on investment under the expertise and ethics in business for maximize benefits of all stakeholders

As at February 28, 2020, the Company had total of 9 directors which consists of 4 executive directors, 2 non-executive directors and 3 independent directors which is 33.33 % of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

Limits on Authority of the Board of Directors

The Board of Directors has the authority to approve budget according to the laws of the Securities and Exchange, and regulations, announcement, the order or the terms of the Stock Exchange of Thailand.

Authorized signatory

Name and number of directors who are authorized to sign on behalf of the Company are Mr. Arak Ratboriharn , Mr. Phonlasit Phumiwasana, Mr. Korchoke Saengtongaram and Mr. Pakorn Mongkoltada, 2 of these 4 directors sign together and the company's seal.

Attending of meetings

For a meeting of the Company's Board of Directors, the Company has a policy to determine a minimum members in constituting a quorum at the time of voting at one in two of the total members of the Board of Directors.

In 2019, the Company provided the Board of Directors meeting of 8 times, the Audit Committee meeting of 5 times, the Executive Committee meeting of 9 times, and the Nomination and Remuneration Committee of 3 times with the directors attendance details as follows.

Name of Directors	The meeting of	Number of meeting	Number of attending	(%)	Remarks
Mr. Yuth Chinsupakul	Board of Directors	8	8	100	
Mr. Sutee Phongpaiboon	Board of Directors	8	8	100	
	Audit Committee	5	5	100	
	Nomination and Remuneration Committee	3	3	100	
Mr. Arak Ratboriharn	Board of Directors	8	7	87.5	
	Executive Committee	9	9	100	
Mr. Phonlasit Phumiwasana	Board of Directors	8	8	100	
	Executive Committee	9	9	100	
Mr. Suphan Settapanich	Board of Directors	7	6	85.71	Resigned on 13 /9/2019
	Executive Committee	6	4	66.67	
Mr. Pakorn Mongkoltada	Board of Directors	-	-	-	Appointment at 28/2/2020,
	Executive Committee	-	-	-	Replacement Mr.Suphan Settapanich
Mr. Grisada Jarreonkonkit	Board of Directors	8	8	100	
Mr.Korchoke Saengtongaram	Board of Directors	8	6	75	
	Executive Committee	9	9	100	
Mrs. Podchane Phaosavasdi	Board of Directors	8	7	87.5	
	Audit Committee	5	5	100	

Name of Directors	The meeting of	Number of meeting	Number of attending	(%)	Remarks
	Nomination and Remuneration Committee	3	3	100	
Ms. Pranee Rattakam	Board of Directors	8	8	100	
	Audit Committee	5	5	100	
	Nomination and Remuneration Committee	3	3	100	

All of Director of the company has a proportion of attendance at the meeting at least 75% of all yearly meetings.

7.2 Executives

As at February 28, 2020, the Board of Executives consists of 13 persons as follows:

No.	Name of Executives	Position	Date changed
1	Mr. Arak Ratboriharn	President / CEO	
2	Miss Rewadee Whanchid	Head of Finance and Accounting Position Chief Of Finance	
3	Mr. Pakorn Mongkoltada	Executives subsidiary media group Position Chief Operating Officer	
4	Mr. Panthep Kulpanapinun	Executives subsidiary media group Position Chief Executive Officer Medias business	
5	Miss Panta Kulpanapinun	Executives subsidiary - media group Position Deputy Chief Executive Officer medias business	
6	Mr. Pitipat Thitasirinant	Executives subsidiary - media group Position Chief Marketing Officer 1	
7	Mr. Maitree Techasriudom	Executives subsidiary - media group Position Chief Marketing Officer 2	
8	Mr. Paul Edmond Scales	Executives subsidiary – warehouse group Position Chairman of the Board	
9	Mr. Phonlasit Phumiwasana	Executives subsidiary – warehouse group Position Chief Executive Officer	
10	Mr. Thitivat Kosiyakul	Executives subsidiary – warehouse group Position Managing Director	
11	Miss Suwanna Sermrat	Finance and Accounting Director	
12	Miss Wane Yodpunya	Operations Director	
13	Mr. Supachai Stivimol	Legal Director	

7.3 Company Secretary

The Board of Directors Meeting No. 1/2014 on February 6, 2014 appointed Miss Rewadee Whanchid to the position of Company Secretary with responsible according to the Securities and Exchange Act (No. 4) BE 2551 which is responsible for the preparation and storage of Director registration, notice of the Board meeting, minutes of the Board meeting and annual report of the Company, Notice of the Shareholders meeting and minutes of the Shareholders meeting, storage the stakeholders report that report by Directors or Executives as well as other actions as notification of the Capital Market Commission defined, on behalf of the Company or the Board of Directors. The qualifications of incumbent as Company Secretary are shown in the article 9, the detailed information about Directors, Executives, Control authority and Company Secretary.

7.4 Remuneration of Directors and Executives

The Company's regulations Article 14 notes that the directors are allow to receive the remuneration from the Company is the forms of awards, meeting allowances, pensions, bonuses, or other compensations in accordance with the Company's regulations or the approval of the AGM which can be described a specific amount or set as rules, and scheduled periodically or will be effective until the change. In addition, the directors are allowed to receive allowances and welfares as generally described in the Company's policies.

The rights of the employees or staffs shall prevail the above paragraph The above paragraph shall not applicable against the Company's employees or staffs, who are elected as the director, in being entitled to the remuneration and benefit as the Company's employees or staffs.

The Annual General Meeting of Shareholders 2019 on April 22, 2019 approved the Directors' remuneration for the year 2019 of not exceeding Baht 5 million by defined Directors' remuneration as follows.

Position	Monthly	Per time of attending
Chairman of the Board of Directors	50,000	8,000
Chairman of the Audit Committee as an Director	30,000	8,000
Directors / Independent Directors	20,000	8,000
Company Secretary	-	8,000

The remuneration paid monthly to non-executive directors only and the Chairman is authorized to consider the allocation of reward to the directors as appropriate if there is any remaining amount of remuneration from above.

In this regard, the monthly remuneration of the directors is only paid for the non-executive directors and is the remuneration for the board of directors, due to the directors who served on the committee as an independent director on the board already. And authorize the Chairman to consider the allocation of the gratuity of the directors and the Company secretary as appropriate. If there is remaining from the above remuneration payment.

● **Monetry remuneration**

Directors remuneration

Monetary remuneration for the Board of Directors consists of monthly remuneration, attendance fee paid by number of attending and Director's bonus as follows.

Name of Directors /Secretary	Appointment	Resign	Remuneration (Bath)				
			Monthly remuneration	Attendance fee	Bonus	Remuneration for Secretary	Total
Mr. Yuth Chinsupakul	11/12/61		600,000	64,000	350,000		1,014,000
Mr. Sutee Phongpaiboon	11/12/61		360,000	64,000	300,000		724,000
Mr. Arak Ratboriharn	12/7/59		-	56,000	270,000		326,000
Mr. Phonlasit Phumiwasana	2/2/54		-	64,000	270,000		334,000
Mr. Grisada Jarreonkonkit	9/4/56		-	64,000	270,000		334,000
Mr. Korchoke Saengtongaram	15/8/59		240,000	48,000	270,000		558,000
Mr. Suphan Settapanich	8/2/62	13/9/62	170,000	48,000	-		218,000
Mrs. Podchanee Phaosavasdi	10/5/56		240,000	56,000	270,000		566,000
Ms. Pranee Rattakam	11/5/53		240,000	64,000	270,000		574,000
Ms. Rewadee Whanchid (Secretary)	6/2/57		-	64,000	-	270,000	334,000
Total			1,850,000	592,000	2,270,000	270,000	4,982,000

Remuneration for executives and the Executive Committee

The Company has set the remuneration of Chief Executive Officer, the Executive Committee and the Management (including employees at all levels) by prepared the annual budget and proposed to the Board of Directors for consideration of the operating results, budgets, and set personnel remuneration of all positions in advance each year to motivate everyone to participate to achieve their goals. The types of remuneration are as follows:

Executive remuneration	Types of remuneration	Objective
Fixed Pay	Base salary/ Benefits such as Provident Fund, welfare benefits.	To maintain knowledgeable and capable personnel to remain with the company.
Short-term Incentive	Bonus base on performance	To reward the achievement of annual performance objectives

In 2019, The company has paid remuneration consisted of salary, bonus, and other monetary remuneration to 15 executives totaling Baht 38,901,699.36 as follows.

Remuneration for executives and the Executive Committee	Year 2019		Year 2018	
	Number of Executive	Amount (baht)	Number of Executive	Amount (baht)
Salary	15	33,596,829.96	15	32,961,817.96
Bonus	15	4,672,164.00	15	6,277,930.78
Provident Fund	11	533,705.40	11	524,859.04
Social Security Fund	13	99,000.00	13	104,250.00
Total	15	38,901,699.36	15	38,640,664.18

● Other remuneration

In 2019, the Company paid other remuneration consisted of executive cars, driver, and petrol expenses to 10 executives totaling Baht 4.21 million as follows.

Other remuneration	Year 2019		Year 2018	
	Number of Executive	Amount (Baht)	Number of Executive	Amount (Baht)
Executive Cars	7	2,459,269.40	7	2,553,617.31
Driver	5	800,248.14	3	712,656.96
Petrol expenses	9	945,674.00	9	941,875.29
Total		4,205,191.54		4,208,149.56

7.5 Personnel

The Company and its subsidiaries focus on determining the appropriate manpower comparing to the size of the organization, and preparing the manpower to be ready for supporting future business plans for the future. Employees of the Group company can be structured by department as follows:

Primary line	As at December 31, 2019	As at December 31, 2018
1. Management and Secretary	13	14
2. Investment and Business Development	1	1
3. Marketing	43	38
4. Operating	58	52
5. Accounting and Finance	25	23
6. Human Resources and Administration	13	11
7. Legal	3	3
8. IT	2	2
Total	158	144

Personnel development policy

The Company has the policy on recruitment, development and preservation of its personnel, as it has realized that the personnel are an important thing enabling the company to achieve the goal and success. So the Company has developed the personnel continuously by providing training/seminars internally and externally by qualified trainers, especially in the building conscience and training on teamwork, good service, love of organization, and development of the job system.

The Company has given priority to creation of morale and spirit and pride in working to the employees by setting the remuneration and progress in the organization based on knowledge, capability and equity, including providing suitable fringe benefit, as well as developing the livelihood of the personnel better.

Human resource management and development policy

- (1) The recruitment for new employees shall be undertaken based on job description, since the Company's nature of business requires specialist candidates. Realizing in a happy workplace principle, the recruitment has been proceeded under

“put the right man to the right job” concept. Upon the employment starting date of the new comers, their job descriptions shall be clarified in details for transparency of working.

(2) Employees’ remuneration and welfare are also emphasized for all employees in all levels. Apart from serving basic welfares as enforced by laws, the Company has established other benefits as follows:

- The health insurance cards are arranged on the purpose of more convenience upon employees’ requirement of medical care at any time and hospital with no payment required for both inpatient and outpatient cases.
- Providing additional life insurance for employees in high risk operations related to billboard . It also has additional for messenger.
- The provident funds for their employees has been established in order to allow employees to reserve their funds after retirement for which the Company has paid a counterpart amount for them based on a number of their working years as required by a relevant law.

(3) The Board of Directors has defined a policy for Executive Committee to consider and set up a criteria and budget for annual salary increment and bonus reward for which the captioned committee’s decision making shall be based on external factors (such as inflation rate forecast, economic situation, etc.) and internal factors (such as annual operating result, history of salary increment and past bonus payment) for remuneration criteria of each year to be appropriate and in line with the Company’ s short-term and long-term operating results.

(4) Employees’ Development Plan has been continuously arranged to develop their knowledge and skills including specialized fields and general knowledge by encourage employees to attend training courses in order to develop their expertise to develop knowledge in general management and and technical topics.

In 2019, the Company organized training / seminars to develop the knowledge and skills of employees as follows.

No.	Course	Number of Participants	Place	Expenses (Baht)
1	Digital Transformation for CEO" Class No.1	1	external	180,000.00
2	Business challenge in merger and acquisition	1	external	7,476.64
3	Matters to be consider by auditor for compliance with the financial reporting standards	1	external	1,800.00
4	TFRS, all editions Year 2019, Class 2/2019, Sub-courses 601	2	external	3,282.24
5	Line Official Account/Line OA Batch#2	3	external	19,345.70
6	Understanding the basic guideline of TFRS9	1	external	2,500.00
7	Academy of Business Creativity : ABC	1	external	215,000.00
8	Accounting for financial instruments	2	external	3,200.00
9	Taxes for international transactions	1	external	1,800.00
10	Transfer Pricing Documentation	1	external	5,514.02
11	Adapting to OOH selling Style 2019	16	external	100,000.00
12	TFRS, all editions Year 2019, Class 2/2019, Sub-courses 503	1	external	1,682.24
Total				541,600.84

- (5) Employee Relation Activities have been organized to provide a meeting opportunity for management and employees to contribute good relation for each other and to enhance unity among all of them in all levels as follows:
- Staff New Year Party and Color Sport Day to avail an opportunity for both employees working at the parent company and subsidiaries to participate in sport competition for good relationship between them among warm atmosphere.
 - Activities to make merit every year.
- (6) The internal communication, Human Resources Department is a center, has been constantly arranged among the Company and employees in order to enable them to access, acknowledge and update their knowledge on all regulations and rules including news and information. The main channel is arranged through email and board announcement.
- (7) The Company has also emphasized on human rights respect, no involvement to violation of human rights and no gender discrimination including an employment for eye-sight problem employee and no specific gender requirement of employment.
- (8) An opportunity for complaints has been always provided for employees to inform any offended acts to Human Resource Manager and Suggestion Box to further propose for consideration of the Audit Committee and the reporter name shall be strictly kept as confidential.

Significant Labor Legal Dispute during the past 3 years

-None-

8. Corporate Governance

8.1 Corporate Governance Policies

The Company concerns that complying with Good Corporate Governance (CG) is important, which could enhance value added and continuous growth of the business. Since 2013, the Company has reviewed the policy for CG and business moral including its operation in order to be aligned with the business objective under good CG of the Stock Exchange of Thailand (SET) and procedures of the Securities and Exchange Commission (SEC). This is to develop the efficiency of the business management for the sustainable growth and increase value added for the shareholders in the long-term. According to the Corporate Governance Report of Listed Companies, In the year 2019 **the company received corporate governance scores. In 2019, adjusted to “Very Good” (Very Good CG Scoring)** , equal to 2018 and the Company will focus on and intend to continue to operate the business under good corporate governance principles.

In 2019, the Company has complied with the good CG procedures, which is categorized into 5 groups as follows:

1. Shareholders' rights

The Company focus on the shareholders' rights such as rights to participate and vote in the shareholders' meeting, rights to receive benefits / dividend from operation proportionally, rights to receive sufficient information, rights to propose agenda for the shareholders' meeting and propose person to nominate for the directors before the shareholders' meeting, rights to ask questions and raise issues in the shareholders' meeting freely. The Company will also convince all directors and managements of the Company including auditors to participate in the shareholders' meeting as shown in the Annual General Meeting of shareholders for year 2020 held on 9 April 2020

In 2019, the Company held the Annual General Meeting of shareholders for year 2019 held on April 22, 2019, and during the year no any Extraordinary General Meeting of Shareholders was called.

Before the meeting date

● Opportunity for Shareholders to Propose AGM Agenda

On 16 October 2019, the Company disclosed information via Elcid of the SET and post on the Company's website (title: Investor Relation) for the shareholders to propose the agenda for the AGM for 2020 and propose the person to nominate for the director and be able to send information to the Company between 16 October 2019, to 16 January 2020, before the Nomination and Remuneration Committee of the Company will select directors to replce the directors who will be expired in the amount of 1 of 3 and the Board of Directors will determine the agenda for the shareholders meeting. The shareholders can notice the Company in 2 channels: fax or mail. However, there is no shareholders sent information to the Company.

During this period, one shareholder proposed the meeting agenda regarding (1) repurchasing shares (2) proposing oneself to be appointed as a company director, in which the company presented the matter to the board of directors' meeting. Considered that (1) share repurchase The company considers the cash flow remaining of the business. At present, this is not possible. (2) Propose himself to be appointed as a director of that company. In 2020, at the Annual General Meeting of Shareholders the three directors who are retiring this year are:

- | | | |
|-----|-------------------------------|--|
| (1) | Mr.Sutee Phongpaiboon | Independent Director , Chairman of Audit Committee,
Chairman of the Nomination and Remuneration Committee |
| (2) | Mr. Korchoke Saengtongaramand | Director, Executive Committee, Authorized Director |
| (3) | Ms. Pranee Ratakam | Independent Director , Audit Committee,
Member of Nomination and Remuneration Committee |

Board of Director, Nomination and Remuneration Committee considered to offer the 3 directors who retired by rotation for another term.

And in order to ensure that the shareholders will have an opportunity to study the invitation notice of the meeting in advance for 30 days on March 9, 2020, the Company has disclosed an invitation of the AGM for 2020 and related documents in full details in both Thai and English in the Company's website and also informed investors and shareholders about the disclosure via Elcid system of the SET.

The Company has sent the invitation notice of the meeting together with information of the meeting agenda to the shareholders in advance not less than 7 days before the meeting and also advertised the invitation of the meeting and related information in newspapers for 3 consecutive days in advance before the meeting not less than 3 days and opinions of the Board of Directors must be included in each agenda with additional information for consideration of the shareholders.

During the meeting

1. The Company facilitates every shareholder equally. And encourage shareholders Institutional investors especially attended the shareholders' meeting. By providing a receptionist. Provide sufficient facilities. With the opportunity for shareholders to register from 12.00 p.m., Approximately two hours ahead of the meeting. All executives, including the auditors of the company. Attended in unison

2. Use third-party experts to register for and vote for transparency.

3. Make use of voting cards on every agenda. For transparency and authentication.

4. Prior to the meeting, the chairman of the meeting informed the number of attendees, both in-person and proxies. Let the meeting acknowledge. And explain how to vote with a ballot before the meeting.

5. The Chairman of the meeting proceeded in accordance with the agenda set out in the invitation letter. Without changing sequence And there was no request for the meeting to consider other matters not defined in the meeting at all.

6. The Chairman gives an opportunity to clarify and discuss each agenda, giving the shareholders the equal opportunity to exercise their right to review the Company's performance and to express their views. Minutes for shareholders to check.

7. The voting right to approve each agenda item will be adopted by a majority of votes. By using the 1 vote method Share: 1 Vote or 1 share with one vote. For the agenda. Approval of annual remuneration of directors It shall be in accordance with the resolution of the shareholders, comprising of not less than two-thirds of the total votes of the shareholders attending the meeting and having the right to vote.

8. Before voting on any agenda. The Chairman will ask the shareholders to ask questions and details.

9. The chairman will inform the meeting of the resolution in each agenda by means of disclosure.

10. Allowing shareholders to vote on the appointment of individual directors.

11. During the meeting, if there were additional shareholders attending the meeting. The Company will count the number of shareholders and every new share. There were more shareholders attending the meeting. The new shareholders during the meeting can vote only for the agenda item that has not yet been resolved at the meeting. The Chairman will summarize the resolution of each agenda item for acknowledgment.

12. The Chairman will announce the result of the vote by specifying the number of votes in favor, disapproval, and abstain votes, and in the year 2018, the company will report the score of the bad cards.

After the Meeting

1. After completion of the meeting, the Company has informed the resolutions of the shareholders' meeting via the Stock Exchange of Thailand. And the results of voting on each agenda for the interested people to know.

2. Minutes of the meeting are kept in writing and the minutes are posted within 14 days on the Company's website : www.aquacorp.co.th

In 2019, the Company was evaluated for the shareholders' meeting by receiving 98 points, which is considered excellent, the Company has recorded important issues and comments. And the voting results for each agenda item are split, voted, disapproved and abstained. In the minutes for the shareholders to check. And the minutes were sent to the Stock Exchange of Thailand. The Securities and Exchange Commission And public company registrar Department of Business Development Ministry of Commerce To stay within the 14 day time frame, and to publish the minutes of the Annual General Meeting of Shareholders for the year 2019 on the Company's website.

2. Equitable Treatment of Shareholders

The Company has policy to treat all shareholders equally as the following;

- Allow the shareholders to add the meeting agenda and nominate persons for directors in advance prior to the meeting of the Board of Directors according to details disclosed in Section 1. Shareholders's rights. The Remuneration and Nomination Committee will consider qualifications of nominated persons and propose to the Board of Directors and the meeting of shareholders respectively.

- Allow the shareholders who can not attend the meeting in person to vote by proxy at the meeting by attaching Form B together with the summary of documents that shareholders required to use in order to vote by proxy and procedures of empowering along with the invitation notice of the meeting. There is an offer to the shareholders to appoint Independent Directors / Chairman of Audit Committee to attend the meeting and vote by proxy instead. In addition, the shareholders can also send proxy document with required attachment as specified in the invitation notice of the meeting to the Company.

- Disclose the invitation notice of the shareholders' meeting with attached document through the Company's website in advance more than 30 days before the meeting and send the invitation notice of the shareholders' meeting to the shareholders prior to the meeting not less than 7 days in compliance with the rules and regulations.

- Provide the ballots for the shareholders to vote in each agenda of the shareholders' meeting in case of the shareholders who vote against or abstained.

- Before the meeting starts, Chairman of the meeting will clarify the use of voting rights, counting method of the votes of shareholders and allow attendees to express their opinions, suggestions and questions in each agenda with proper and

adequate period of time and the meeting will be conducted in accordance with the agenda of the meeting stated in the invitation notice of the meeting without adding the additional agenda in the meeting.

- To prevent conflicts of interest that may arise, the Company has established a policy of the entering into the connected transaction which is stricter than the rules and regulations of the SET, details stated in section of "Measures or procedures for approval of the connected transaction" and the summary of connected transactions were presented on a quarterly basis, including name, type of relationship, characteristics of the transaction, the size of the transaction, and necessity and reasonableness of the transaction to the audit committee, and the Board of Directors of the Company for consideration and comment. The Company's Board of Directors has set rules and regulations regarding insider trading to prevent the use of inside information for personal benefits or others in an illegal way.

- The Company has not violated or not complied with rules and regulations of the acquisition or disposition of assets of the SET and SEC.

- Submit questionnaires of shareholding of directors in each quarter in order to inform the auditor and disclose complete information.

3. Role of stakeholders

The Company recognizes the importance of all stakeholders both internal and external since the Company recognizes the support from stakeholders which will create competitiveness. and profit to the Company. The Company shall comply with the laws and related rules and regulations in order to treat the rights of all stakeholders properly and establish a written code of business ethics as guidelines for the treatment of major stakeholders by making directors, managements and employees of the Company acknowledged, understand and to conform strictly.

Policies and practices to the groups of stakeholders are as follows;

- **Employees**

We regard our employees as an important asset of the company. Besides the provision of the basic welfares in accordance to the labor laws, we provide them the opportunity to attend the training and seminars to enhance their working skills. The company also provides them a reasonable income and fringe benefit in relation to their abilities and contribution to the company by the assessment from our systematic evaluation procedure

Since 2012, the Company has issued and enforced the notification of salary structure, principle of consideration of staff level, and definition of job positions in order to administrate human resources clearly, properly and consistent with the economic situation and the status of business operation of the Company as a framework for the operation of the Company and the Company and its group

- **Shareholders or Investors**

The company has responsibility to its shareholders on a regular basis and provides the rights to shareholders equally by committing to managing businesses in order to create business growth for business operating ability and long-term competition and aiming to create appropriate and sustainable returns to the shareholders. The dividend policy is to pay a dividend of not less than 40% of the net profits of the Company to shareholders

Besides, the Board of Director realized on the disclosure of the information with transparency and without delay, through every systems, for equality and good understanding of the shareholders, including giving an opportunity for analysts from all sectors in greeting and reviewing all queries and acquiring the additonal details.

- **Competitors**

The Company has a policy to support the cooperation in competition for the highest benefit of customers under the rules of free and fair competition by not searching for confidential information of competitors in dishonest or in-appropriate ways, not disclosing or neglecting to leak out confidential information of the Company to competitors, not attacking and discrediting competitors through accusation or other incorrect approaches, and not defaming competitors or make competitors to lose an opportunity unfairly.

- **Customers**

The Company and its subsidiaries are committed to providing quality services that meet customer needs and in line with specifided standards in a fair price, delivering jobs within the specified period and conforming to the trading terms and conditions rigorously. The Company shall keep confidential information of clients and not use trading confidential information for benefits of the Company or related persons.

- **Suppliers**

The Company and its subsidiaries had established guidelines and procedures for procurement and defined criteria for selecting business partners clearly. Vendor system is also developed to create fairness in the transparent procurement process in which every stage of procurement can be monitored to ensure that there is conflict of interests of the Company's directors and executives and employees.

- **Creditors**

The Company and its subsidiaries had complied with the terms and conditions provided to financial institutions strictly and also complied with the terms of trade of creditors, especially for the payment of goods and services.

- **Intellectual property or copyright and anti-corruption**

The Company had policy to not violate any intellectual property or copyright whether design, computure program, or other issues related to job performance and there is anti-corruption policy, as well as not paying and receiving bribes (either in terms of cash, goods and other benefits) for the business interests of the Company, relatives and other relevant parties.

- **Society and environment**

The company continues to focus on environmental management and attempts to least cause of environmental impact whether our employees, location and nearby communities. It also improves the quality of life of employees in the organization as well as the environment and work atmosphere. Enhance the quality of life of personnel in the organization.

4. Disclosure and transparency

The Company has a policy to focus on disclosure of information and transparency in the governance of the Company. In 2018, the Company has disclosed information concerning the Company both financial and other information accurately,

completely, and transparently and in a timely manner in accordance with the rules and regulations of the SEC and SET. The details are as follows;

- Submitted financial and other reports such as the adjustments of directors and adjustments in shareholdings of directors, etc. to the SEC and SET within a given time.
- In addition to the reports of share trading to the SEC, the Company has set a policy in which the Company's Board of Directors is required to report the Company's shares / securities purchase and holdings to the Board of Directors meeting in order to be acknowledged the changes in the next meeting too.
- Disclosed financial status and other information such as the nature of the business, competition conditions, business risks, shareholding of directors and executives, connected transactions and compliance of corporate governance policy, etc. in the Annual Report and Form 56-1.
- Disclosed complete financial information and other information accurately on the Company's website. www.aquacorp.co.th
- The Company's Investor Relations which can be contacted at;

Investor Relations Department	: Ms. Rewadee Whanchid, Company Secretary : Mrs. Orathai Nateruang, Assistant Company Secretary : Phone 02-694-8888 ext. 8804 Fax 02-694-8881
Email	: secretary.aqua@aquacorp.co.th
Website	: http://www.aquacorp.co.th
Letter	: Company Secretary Aqua Cooperation Public Company Limited 121 / 68-69, Floor 21, R.S. Tower, Ratchadaphisek Road, Din Daeng, Bangkok 10400

- **Disclosure of shareholders structure**

The Company disclosed the shareholders structure in an Annual Report page 41 -42 and Form 56-1 part 2 page 1 and the Company's group structure in an Annual Report page 14 and Form 56-1 part 1 page 6.

- **Disclosure of remuneration of directors and executives**

The Company disclosed details of remuneration of individual directors and compensation of executives in an Annual Report page 48-50 and Form 56-1 part 2 page 9

- **Report of Interest of Directors and Directors' and Mnagements' Change in number of share**

The Company had set a policy to have directors and executives to report their interests by arranging a report form of interest of directors and executives and have the Company Secretary propose them to the Chairman's of the Audit Committee and the Chairman of the Board of Directors. And, every change to such an interest is required to be reported to both of them.

The acquisition and disposition of shares between March 29, 2019 to March 17, 2020 as follow:

List of Directors and Executives	Position	Securities	Securities As at March 17, 2018	Securities acquired (disposed)	Securities as at March 17, 2020	
					Number	%
1) Mr. Yuth Chinsupakul	Chairman of the Board	AQUA	-	2,000,000	2,000,000	0.04
2) Mr. Arak Ratboriharn	Director /Executive Director/ President	-	-	-	-	-
3) Mr. Phonlasit Phumiwasana	Director/ Executives subsidiary-warehouse group, Position Chief Executive Officer	-	-	-	-	-
4) Mr. Grisada Jareonkonkit	Director	-	-	-	-	-
5) Mr. Korchoke Saengtongaram	Director / Executive Director	-	-	-	-	-
6) Mr. Sutee Phongpaiboon	Independent Director / Chairman of Audit Committee	-	-	-	-	-
7) Mr. Pranee Rattakam	Independent Director / Audit Committee	-	-	-	-	-
8) Mrs. Podchane Phasavasdi	Independent Director / Audit Committee	-	-	-	-	-
9) Mr. Paul Edmond Scales	Executives subsidiary-warehouse group, Position Chairman of the Board	-	-	-	-	-
10) Mr. Thitivat Kosiyakul	Executives subsidiary- warehouse group, Position Managing Director	-	-	-	-	-
11) Mr. Pakorn Mongkoltada	Executives subsidiary media group, Position Managing Director (AA)	AQUA	78,022,375	497,379,125	575,401,500	12.53
12) Mr. Panthep Kulpanapinun	Executives subsidiary media group, Position Chief Executive Officer (BWM)	-	-	-	-	-
13) Ms. Panta Kulpanapinun	Executives subsidiary media group, Position Managing Director (BWM)	-	-	-	-	-
14) Mr. Pitipat Thitasirinant	Executives subsidiary media group, Position CMO (BWM)	AQUA	20,500	(20,000)	500	0.00
15) Ms. Rewadee Whanchid	Chief Executive of Finance and Accounting, Position Assistant Managing Director	-	-	-	-	-
16) Ms. Suwanna Sermrat	Director of Finance and Accounting	-	-	-	-	-
17) Mr. Maitree Techasriudom	Executives subsidiary media group, Position CMO	-	-	-	-	-
18) Ms. Wanee Srasom	Director of Operations	AQUA	10,000	-	10,000	0.00
19) Mr. Supachai Stivimol	Director of Legal	AQUA	2,000	-	2,000	0.00
Total		-	78,054,875	494,759,125	575,414,000	12.53

Note Holding of the Company's securities included securities of spouse and minor children.

● **Information providing and mass media or public interviews**

- 1) The disclosure of the Company's information shall be in accordance with the rules and regulations of the Stock Exchange of Thailand; subject: Rules, Conditions and Procedures for Information Disclosure and any practices of listed companies including other relevant laws.
- 2) The Company determined the Chief Executive Officer is the authority in the interview or answer ques

tions of Shareholders, Investors, mass media, and outsiders. Other top executives may provide information if they assigned by Chief Executive Officer.

- 3) The Company determined the Investor Relations Department to represent the Company to provide useful information to shareholders, securities analysts, fund manager, investors, and financial institutions.

● Communication Channels to the Public

The Board of Directors recognizes the significance of correct, complete, timely, transparent, and thorough information disclosure, and assigns the Chief Executive Officer and Company Secretary acts as Investor Relations to communicate with investors, shareholders, analysts, media, and other organizations concerned. Investors can access all information relating to the Company by contacting Miss Rewadee Whanchid, the Company Secretary or Mrs.Orathai Naterueng, Assistant of the Company Secretary, at Tel. +6626948888 Email Address: rewadee.w@aquacorp.co.th

In 2019, the Company had publicized the information of the Company to individual investors which consists of investors and minor shareholders who wish to meet and discuss about the business of the Company with executive (Company Visit)

1. The group of investors had the company visit for 3 times as follows:
 - June 4, 2019 : Bangkok Capital Asset Management
 - August 27, 2019: DBS Vickers Securities and Navis Capital
 - September 27, 2019: Caravan Capital Management LLC
2. The Company, under the SEC cooperation, conducted the opportunity day for 2 times, on March 21, 2019 and September 4, 2019, with 20 attendances of each, who were from analyst and investor sector.

● Financial statements and auditors

The Company's directors set the audit committee to be responsible for auditing that the Company's financial report is correct and disclosed adequately. In addition, directors also conducted the report of directors' responsibility towards financial reports, including important issues according to guidelines for directors of listed companies suggested by the SET. The audit committee selected the auditors from the office of Pitisevi Co., Ltd., an auditor approved by the SEC, which is independent and has no conflict of interests to the Company as the auditors for 2019 according to the list of auditors as follows;

- | | |
|--------------------------------------|--------------|
| 1. Miss Chaovana Viwapanachati | CPA No. 4712 |
| 2. Miss Wanpen Aunruen | CPA No. 7750 |
| 3. Miss Porntip Amornchailertpattana | CPA No. 9589 |

It is required any person above who audits, comments and signs in the financial statements of the Company and determines the audit fees on a quarterly basis and annual audit fees for 2020 shall not exceed Baht 1,440,000 which is relatively close to the audit fees of companies having similar size and nature of business to the Company. The Company's financial statements for 2019 has been certified by the auditors without qualified audit opinions.

5. Responsibilities of the Board of Directors

The Board of Directors has important role in corporate governance for maximum benefit of the Company and responsible for the duties to shareholders and independent from the management in the decisions for maximum benefit of the Company and overall shareholders. The Company provides the separation of roles and responsibilities systems between the Board of Directors and the management clearly. And overseen the Company's work system to ensure that various activities of the Company and has conducted in a lawful and ethical manner.

The Board of Directors consists of directors whose variety qualification in terms of skills, specialized capabilities experience that beneficial to the Company including they have devoted time and effort to their duties in order to enhance the Company's strength.

The Company has established the Audit Committee and the Executive Committee to study and screening necessary. Especially in cases that relies on neutrality in diagnosis and policy formulation on role, responsible, working process clearly to make the effective and efficient duties of the Board.

All directors understand the duties and responsibilities of the Board and the Company's business as well. They are ready to express their opinion freely and perform with integrity careful and thoughtful by considering the maximum benefit of the Company and fair to all shareholders with accurate and complete information. In the past year, all directors devoted sufficient time to perform duty under responsibilities fully. It is a duty of directors to attend every Board meeting, unless there are special reasons really.

- **Vision, Mission and Corporate Governance Policy**

On February 28, 2020, the Board of Directors' Meeting No. 1/2020 considered and reviewed the Vision, Mission and Goals with the resolution to remain unchanged. Including improving the corporate governance policy and publicizing it to employees within the organization thoroughly The company Have a vision review policy And the mission of the company every year.

- **Structure and qualifications of the Board of Directors**

Director of the Company consisting of 9 qualified directors and has no prohibited characteristics under the law on public companies. Have a variety of professional skills specialized expertise and there is no restriction on sex and the Chief Executive Officer apart and the structure of the board consists of 3 independent directors, more than one-third (1/3) of the entire board of directors which causes counterbalance and management.

The selection and nomination of directors must be transparent and must be subject to consideration by the Nomination and Remuneration Committee. Each year, at least one-third (1/3) of the directors shall retire by rotation. It is the corporate policy that each director is allowed to assume directorship in no more than 5 listed companies. The Chief Executive Officer must report to the Nomination and Remuneration Committee in the case of holding directorship in other company.

- **Balance of power of non-executive directors**

Board of Directors consists of a variety of skills, qualifications, capabilities, experience and expertise that are useful to the Company. The Company determined the structure of the Board of Directors as follows;

- Not less than 5 people.

- Independent committee must not be less than 1 in 3 of total members of the Board of Directors, including persons who have knowledge about the business and persons who have knowledge about financial and accounting.

As of February 28, 2020 the Company's Board of Directors of Aqua Cooperation PCL. has 9 people including;

- Non-Executive director 2 people
- Independent directors 3 people
- Executive directors 4 people

With Mr. Yuth Chinsupakul is a Chairman of the Board of Directors, Mr. Sutee Phongpaiboon as an Independent Director and Chairman of Audit Committee, Ms. Pranee Rattakam as an independent Director and Audit Committee who has expertise in finance and accounting.

3 Independent Directors which is 33.33 % of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

● **Separation of the position of Chairman of the Board of Directors and Chief Executive Officer**

The company has split powers, duties and responsibilities of the Chairman and Chief Executive Officer separately in order to not giving unlimited authority to anyone. The Chairman is an independent director and does not have any relationship with management team.

● **Term of Independent Director Office**

The director elected by the shareholder's meeting shall have the office term as provided in the Company's Articles of Association and when his tenure is ended, such director may be elected to serve the position for another term. Even one of the Company's independent directors holds the position more than 9 years, but the said independent directors is qualified as described in the definition of independent director and , including independtly performing his duties without any conflict of interest or bias on the the executive and major shareholders, and making a decision by realizing the highest interest of the Company.

● **Orientation for new directors**

The Company provides the slide presentation, introducing the Company's business, including the members of the Board of Directors and executives, which is presented by the president at the orientation of the new director and the department of human resources uses as the introduction for news employees as well.

● **Self-assessment of the Board of Directors**

The Company evaluates the performance of the Board of Directors on an annual basis. Evaluation form of individual director (Self-evaluation) consist of 6 topics as follows;

1. Structure and qualifications of the Board of Directors
2. Roles and Responsibilities of the Board of Directors.

3. The Board of Directors' meeting
4. The Board of Directors' performance
5. Relationship with management
6. Self-Development of directors and management

In order to help the directors to compare the results of evaluation in each topic or compare the results of evaluation in each year for improvement and development of the performance of the directors. The summary of result of evaluation showed that the directors are qualified and could take duties and responsibilities properly in accordance with the guidelines of good practice of directors.

The Company served the evaluation form to every directors prior to the period of evaluation process by self-evaluation of the Board of Directors, both wholly and individually. The evaluation of the performance of the Board of Directors, the sub-committee, and the President shall made by the following.

1. To process the evaluation of the performance for one time a year. The evaluation of the performance of the Directors shall made by individual with 3 main keys; (1) the structure and qualification of the Board of Directors, (2) the meetings of the Board of Directors and (3) roles, duties and responsibilities of the Board of Directors.
2. The Company shall evaluate the performance of the President by the Nominating and Remuneration Committee at the end of the year made with 2 main keys; (1) progress of the operation plan and (2) evaluation of the performance.
3. The Company Secretary shall summarize and present the performance evaluation of the Board of Directors, by wholly and individually, the sub-committee, including the president, to the Nominating and Remuneration Committee for reviewing such evaluation and providing guidelines for improvement of the operation.
4. The Nominating and Remuneration Committee shall propose the evaluation and guidelines for improvement of the operation to the Board of Directors.

- **History of Misconduct against the Regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission**

The Company has no record of misconduct against the regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission.

- **Sub Committees**

The Company's Board of Directors has appointed 3 committees of which their members are the Company's directors and executives to carry out specific tasks as assigned. Those 3 committees are the Audit Committee, Executive Committee, and Remuneration and Nomination Committee. Duties and responsibilities of each committee were clearly defined in writing and disclosed in the Company's Annual Report. These committees are authorized to request the management to clarify any issues or to submit a specific report as well as to appoint any external advisor for recommendations as deemed appropriate.

The Audit Committee

The Audit Committee consists of 3 independent directors whose qualifications are in line with the criteria of the Stock Exchange of Thailand and the Securities and Exchange Commission in which the proportion of share holding of the independent directors was set not less than 1% equal to the Securities and Exchange Commission's regulations.

The Company hired JP Tip Audit Limited to perform duties as the internal auditor in place of the Internal Audit Department. This is to facilitate independence in performing duties and allows the auditor to report directly to the Audit Committee.

Executive Committee

Executive Committee consisting of 4 directors are responsible for developing plans, policies, direction, business strategies, and management structure for the Company's core business operation; considering the Company's performance in terms of profit/loss, and the interim or annual dividend payment before proposing it to the Board of Directors; and performing other tasks as assigned by the Board of Directors.

The Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of 3 independent directors to recruit and determine the remuneration of Directors and Executives. In 2019, there were 2 meetings to perform their duties as follows.

- Consider the term of office of directors and approve the nomination of new directors to propose to the Board of Directors for approval.
- To approve the remuneration of the Board of Directors for the year 2017 to propose to the Board of Directors for approval.
- To approve the appointment of member of the Executive Committee to propose to the Board of Directors for approval.
- To approve bonus of directors for the year 2017 to propose to the Chairman of the Board for approval.

The Remuneration and Nomination Committee served for nominating candidates to replace Directors and Executives in the case of completed their terms resign or other. In order to comply with the corporate governance guidelines of the Stock Exchange of Thailand and Articles of Association, the Board of Directors and executives of the Company must be fully qualified by the Public Companies Act BE 2535 and the Securities and Exchange Act BE 2535 and proposed to the Board of Directors for approval.

However, in 2019, the Board of Directors did not appoint any person to be the advisor of the Nomination and Remuneration Committee.

● Directors' Report

The Board of Directors is responsible for the Company's financial statements. And subsidiaries which such financial statements were prepared in accordance with generally accepted accounting standards including adequate disclosure of information in the notes to the financial statements. The Board of Directors has appointed the Audit Committee, which is an independent director, to be responsible for the quality of financial reports and internal control systems. By the opinion of the Audit Committee towards the financial report and the internal control system will be shown in the Audit Committee report

disclosed in the annual report. The report on the responsibility of the Board of Directors towards the financial report will be presented to the Board of Directors meeting. And disclosed in the annual report as well.

The Board of Directors sets a policy for all directors to prepare a report on interest every year. And every time there is a change of interest status Including making a certificate of independence every year And assigned the company secretary to present a copy of the report to the Chairman and Chairman of the Audit Committee.

● Succession Plan

To prevent the potential detrimental impact on the Company's business operation, the Board of Directors has approved the policy on the nomination of Chief Executive Officer and the policy on succession of executive positions in case of emergency or retirement.

● Remunerations for Directors and Management

The Remuneration and Nomination Committee proposes directors' remuneration and bonus to the Board of Directors Meeting to later propose to the Annual General Meeting of Shareholders for approval including to propose the remuneration of Chairman of Executive Committee and Chief Executive Officer for approval by the Board of Directors Meeting. The remunerations was passed the resolution of the committee in term of appropriateness in comparison with other listed companies. The Company's remunerations for directors are in a form of monthly payment, meeting attendance fee and bonus. The management's remuneration will be in accordance with the principle and policy as set by the Board of Directors and in relation to the company's operating performance and corresponding to their responsibilities.

● Development of directors and management

The Company has policy to support knowledge for development of directors and management of the Company as follows;

1. Directors who are newly appointed must attend the Director Accreditation Program (DAP)
2. The Company supports for the directors attending the Director Certification Program (DCP) or other courses by paying for the costs.

Details of participation in training courses organized by Thai Institute of Directors (IOD).

Name of Directors	Training history of the Board of Directors		
	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Other
1. Mr. Yuth Chinsupakul	-	Class 143/2017	-
2. Mr. Sutee Phongpaiboon	-	Year 2007	
3. Mr. Arak Ratboriharn	Class 129/2010	-	
4. Mr. Phonlasit Phumiwasana	-	Class 78/2009	
5. Mr. Pakorn Mongkoltada	-	Class 78/2009	
6. Mr. Grisada Jarreonkonkit	-	Class 117/2015	
7. Mr. Korchoke Saengtongaram	-	-Non-	Digital Transformation for CEO Class No. 1
8. Ms. Pranee Rattakam	-	Class 79/2009	
9. Mrs. Podchanee Phaosavasdi	Class 151/2011	Class 64/2007	RCC 9/2009 , RMP 4/2014

- The Company Secretary, Ms. Rewadee Whanchid had to training courses Director Accreditation Program (DAP) Class 79/2009
- Director No. 7 is in the process of considering the initial training course of the Thai Institute of Directors Association (IOD)

- **Board of Directors' Meeting**

The Company has schedules the Board of Directors' meetings in advance and notifies each director about the schedule so that the directors can manage time to attend the meetings and special meetings may be held if necessary. In each meeting, the company has obviously set a meeting agenda and sends an invitation letter with details for more than 7 days prior to the meeting so that the directors can study the information sufficiently prior to the meeting, as well as conducts the minutes of meeting in writing which are approved by the Board of Directors in which the Board of Directors and relevant persons can check the minutes of meeting. In each meeting, the Company shall provide freedom to independent directors to make comments, suggestions which are valuable to the Company and useful to the control of the Company's operation.

In 2019, the Board of Directors has the Board of Directors' meetings of 8 times, the Audit Committee meetings of 5 times, the Executive directors' meetings of 9 times and the Nomination and Remuneration Committee's meetings of 3 times. Each meeting spends time approximately 1-3 hours.,

The Board of Directors encourages each director to attend at least 75% of all Board of Directors meetings held throughout the year. The meeting attendance details of directors and subcommittee members were disclosed in the topic of "Management Structure".

Moreover, the Board of Directors set out the policy to arrange a meeting among all independent directors without any participation of the executive directors at least once per year starting from 2017 onwards.

The non-executive director may hold meeting as think fit for giving a opportunity to the non-executive director in discussing their interested matters without the executive director or the managements. In 2019, the Audit Committee had a meeting with the Company's auditors and internal audits without the attendance of the management for one time on December 24, 2019.

- **Company Secretary**

Since 2014, the Board of Directors has appointed Miss Rewadee Wanchid as Company Secretary to perform supporting duties to the Board of Directors Meeting such as agenda preparation, notice of the meeting, meeting arrangement, meeting documents filing and also give her advices to directors so that they can perform their duties in compliance with relevant laws and regulations.

8.2 Committees

The management structure of the Company consisted of the Board of Directors and 3 committees such as Audit Committee Executive Committee and Nomination and Remuneration Committee which were define the authority and responsibilities of committees in Charter of Board of Directors, Charter of Audit Committee, Charter of Executive Committee and Charter of Nomination and Remuneration Committee which were approved by the Board of Directors' meeting No. 2/2016 on February 26, 2016 and shall became effective on February 26, 2016 onwards.

On August 14, 2018, the Company considered reviewing the Executive Committee Charter and the Audit Committee Charter. Which will be effective from 14 August 2018 onwards and cancel the Executive Committee Charter and the original Audit Committee Charter which is effective from 26 February 2016.

Board of Directors

As at February 28, 2020 the Board of Directors consisted of 9 directors as follows

No.	List of Directors	Position
1	Mr.Yuth Chinsupakul	Chairman of the Board
2	Mr.Arak Ratboriharn	Director and President /Chief Executive Officer
3	Mr.Phonlasit Phumiwasana	Director
4	Mr.Grisada Jarreonkonkit	Director
5	Mr.Korchoke Saengtongaram	Director
6	Mr.Pakorn Mongkoltada	Director
7	Mr.Sutee Phongpaiboon	Independent Director and Chairman of Audit Committee
8	Ms.Pranee Rattakam	Independent Director and Audit Committee
9	Mrs.Podchancee Phaosavasdi	Independent Director and Audit Committee

According to the Company's articles of Association, Chapter 3, the Board of Directors No. 11 states that the Board of Directors consists of at least 5 directors and not less than half of the total number of directors must have residence in the Kingdom. And the directors of the company must be qualified according to the law and Article 19 of the articles of association states that the Board of Directors shall elect one director to be the Chairman of the Board. In the event that the Board of Directors considers it appropriate can choose one or more directors as vice-presidents The Board of Directors may assign one or more directors to act on behalf of the Board.

As at February 28, 2020, the Company had total of 9 directors which consists of 4 Executives Directors, 2 non-Executive Directors and 3 independent Directors which is 33.33% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

With Miss Rewadee Wanchid, the Company Secretary oversees the activities of the Board of Directors, minutes of meeting and documenting about the meeting.

Tenure

- (1) Directors must retire from office as one in three of all members in every Annual General Meeting. If the number of Directors cannot divide into three parts, directors shall retire nearest to one in three of all members. Director who has to leave in the first and second years after the registration of the Company shall draw a lottery on who will leave for the subsequent years. Directors who retired by rotation may be re-elected
- (2) In cases where the position of director is vacant because of other reasons except expiration of the term . The Board of Directors have to elect directors to replace the vacancies on the Board of Directors at the next meeting.

The persons who are elected as such directors will remain in office only for the remaining term of directors they replace

- (3) In addition retire by the term, Directors must retire from office when
 - A. Died
 - B. Resignation
 - C. Disqualified or prohibited characteristics under the law
 - D. The meeting of shareholders voted to out of position.
 - E. The court ordered to out of position
- (4) Directors who resigned before the expiration of term, have to submit a letter of resignation to the company. The resignation is effective from the date of letter of resignation reach to the company and they can inform their resignation to the registrar according the law on public limited company.

Role of Chairman

- (1) Responsible for determines agenda, lead and control Board of Directors' meeting to run smoothly.
- (2) Create a reasonable relationship with the CEO and Company Secretary.
- (3) Encourages all directors to participate in the meeting and can show fully potential.
- (4) Create clarity on the scope of duties and responsibilities between Board of directors and the executives.
- (5) Determines framework and monitor the corporate governance policy.
- (6) Be a representative and build a reputation to organization.
- (7) Be the shareholders' representative to serve as a leader in the annual general meeting.
- (8) Participate in building process of strategy plan that effective in practice.
- (9) Responsibility to seek qualified directors to join as member of the Board and directors development.
- (10) Supervise the Board of Directors along with evaluation of performance, communicate for transmit the ex-pectation to the Board of directors.
- (11) Create succession planning process and the evaluation of performance of Chief Executive Officer.

Scope of Authority and Responsibilities of the Board of Directors

The resolution of the Board of Directors meeting No.2/2016 held on February 26, 2016 which was also attended by the Audit Committee has reviewed and set the scopes of authority and responsibilities of the Board of Directors as follows:

1. Has the authority in accordance with Public Limited Companies Act BE 2535 and any other laws that defined as duties of director or Board of Directors of public companies.
2. Perform their duties with responsibility, careful and honesty including being compliance with the law, objectives and the Company's regulations as well as compliance with resolutions of the shareholders' meeting.
3. Determine the main policies regarding core business operation, financial, financing, capital management and risk management for the management to implement.
4. Authorized to determine and change the name of directors who have authorized signatory of the company.

5. Govern the business to meet or exceed the target and determine a solution for the obstacle events that preventing the Company to achieve the target.
6. Provide the general information reporting and financial statements reporting to the shareholders and general stakeholders with accuracy, completeness, transparency and as required by the law.
7. Acknowledge the important audit report and determine the solutions or guideline for improvement in case of finding significant deficiencies.

Moreover, the Board of Directors is authorized to appoint a number of directors as the Executive committee to serve one or more operating purposes. The Board of Directors also assign the authorize directors to be able to act/ sign on behalf of the Company in terms of managing the Company's business, except for the following conditions which require the resolution from shareholders' meeting.

- 1) Legal matters that require the approval from the shareholders' meeting.
- 2) Any transactions that Directors may have benefits or vested interests and under the law or regulations of the Stock Exchange of Thailand that requires resolutions from shareholders' meeting.

In the following cases, the matter must be approved by the board of directors and the meeting of shareholders of not less than three fourths of the entire votes of the attending shareholders with voting rights.

- 3) The Selling or Disposition of total assets or the significant proportion of assets
- 4) The Purchasing or Acquisition of total assets or the significant proportion of assets
- 5) The agreement, amendment or termination concerning the Lease of total assets or the significant proportion of assets, and the designation of other person(s) and/ or juristic person(s) to manage the company's business or to merge with the other person(s) and/ or juristic person(s)
- 6) The amendment of Company's Article of Association, Memorandum of Association
- 7) Increase or decrease of the company's capital
- 8) Mergers and Acquisition, Liquidation
- 9) The other cases as stated by law

Meeting

- (1) The Board of Directors' meeting must have directors attend at least half of all member so it is a quorum.
- (2) Scheduled to meeting at least 4 times per year and there may be meeting for more special agenda as necessary.
- (3) Chairman of the Board of Directors or Company Secretary responsible for determine agendas.
- (4) Notice of the meeting must be sent at least seven (7) days before the meeting. In the event of an emergency or to protect the rights and interests of the company, the Board of Directors' meeting may be held by notify all directors by other means and can schedule date of meeting faster than it.
- (5) The minutes of each meeting shall be made in writing and kept the original certified by the Board of Director in order to serve a review by the Board of Directors at all time.
- (6) Meeting resolution of Board of Directors shall count a majority vote of directors who attending the meeting. A director has one vote in the voting. A Director who has interests in the matter, has no right to comment and

vote on such matter. If the votes are equal, the chairman of the meeting shall have an additional casting vote, except the law has determined otherwise for the voting.

The Company has annually scheduled the Board of Directors' meetings in advance and notify the Board of Directors since the beginning of the year to plan the attendance.

Audit Committee

As at February 28, 2020 the Audit Committee consisted of 3 members as follows.

No.	List of Audit Committee		Position
1	Mr. Sutee	Phongpaiboon	Chairman of Audit Committee
2	Ms. Pranee	Rattakam	Audit Committee
3	Mrs. Podchanee	Phaosavasdi	Audit Committee

Miss Pranee Rattakham as the Audit Committee to be able to review the reliability of the financial statements according to the Securities Act (No. 4) 2008, 1 person and Miss Rewadee Wanchid, Chief Executive of Finance and Accounting as Secretary of Audit Committee who oversee the activities of Audit Committee, minutes of meeting and documenting about the meeting.

Tenure

Member of Audit Committee has term of office according to their tenure for director position and member of Audit Committee who retires by rotation may be re-appointed for another term. Addition to the retirement by expiration of term, a member of Audit Committee must retire from office when.

- (1) Died
- (2) Resignation
- (3) Disqualified to being a member of Audit Committee according to this charter or regulations of the Securities and Exchange Commission.
- (4) The Board of Directors approved to retire.

A member of Audit Committee who wish to resign, shall submit a letter of resignation to the Chairman of Board of Directors and Board of Directors is an approver in the event that the entire Audit Committee shall retire from office. The Audit Committee that retired from office must acting in position to continue operation until new Audit Committee will be commissioned.

In the case of member of Audit Committee becomes vacant because of other causes in addition to retirement by rotation, the Board of Directors have to appoint a person who qualified to be a member of audit committee instead within 90 days to make the Audit Committee has full member according to the Board of Directors defined.

Scope of Authority and Responsibilities of the Audit Committee

According to the resolution of the Board of Directors No. 4/2018 held on August 14, 2018 which was also attended by the Audit Committee has reviewed and set the scopes of authority and responsibilities of the Audit Committee as follows:

The Board of Director has assigned the Audit Committee to be responsible for overseeing the operation and re-reporting directly to the Board of Directors in order to meet the standards and create the maximum benefits to the Company and shareholders.

The Audit Committee has duties and responsibilities as required by the rules and regulations of the SEC and SET, and will report directly to the Board of Directors in order to maintain the standard and create the maximum benefits to the Company and shareholders. The Audit Committee has scope of authority and responsibilities as follows;

- 1) Review the company's financial reports to be accuracy sufficient disclosed and reliable
- 2) Review the internal control and internal audit system of the Company to be in the proper and efficient
- 3) Review that the Company's operations are in accordance with laws and regulations of the Stock Exchange of Thailand or other laws related to the business operations of the Company
- 4) Consider and make a proposal in re-appointment, termination and remuneration of auditor of the Company.
- 5) Meeting with the auditor specifically at least 1 time per year to discuss on various matters that the Audit Committee or the auditor see that it should be discuss in private.
- 6) Review the independence of auditor and determine the receiving other services policy that is non-audit service from the same audit firm.
- 7) Review the corporate governance policy and make the proposal any changes to approve by the Board of Directors.
- 8) Review the related party transactions or transactions that may have conflicts of interest to comply with laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and in the best interests of the Company.
- 9) Review the Company's risk management systems to be appropriate and effective.
- 10) Consider the independence of internal audit department as well as to approve, appoint, migrate, lay off and consider the performance, meritorious service of internal audit head. All of this may hire individuals or external firm to perform internal audit work by nominate and qualifications to the Audit Committee for approval at least once a year at the same time with an auditor nomination and practice as the Company conduct themselves tacitly.
- 11) Review and provide comments on practices regarding anti-corruption in terms of suitability and in accordance with the company's anti-corruption policy.
- 12) Review and comment on internal audit plan, performance of internal audit department and coordinate with the auditor.
- 13) Prepare the Audit Committee's Report to be disclosed in annual report which must be signed by the Chairman of the Audit Committee and consisting of the following matters;

Resolution on the process and transparency of data in the financial report of the Company with considerations in righteousness and credibility

- Resolution on adequacy of the Company's internal control
- Resolution in compliance with the laws on securities and the stock exchange, regulations of the Stock Exchange of Thailand and other laws related to the business operations of the Company

- Resolution on propriety of auditor
 - Resolution on the transactions that may cause the conflict of interest
 - The number of meetings of the Audit Committee and attendance of each member of the Audit Committee.
 - Opinions or overall observation that the Audit Committee has the duty under the charter. (charter)
 - Other matters that shareholders and investors should know under the scope of duties and responsibilities as assigned by the Board of Directors.
- 14) Investigate suspicious circumstances that director, manager or persons who responsible for operation of the Company committed an offense under the Securities and Exchange Act (No. 4) BE 2551 which the auditor detected and reported and the Audit Committee shall reports the results of preliminary inspection to Board of Directors, the Securities and Exchange Commission and the auditor within 30 days from the date of notification by the auditor. The suspicious circumstances that have to inform and method to get facts about such circumstances shall be in accordance the notification of the Capital Market Commission defined.
- 15) In performing of Audit Committee's duties, if found or suspected that it have transaction or action as follows which may have a significant impact on the financial position and operating results of the Company. The Audit Committee shall reports to Board of Directors for rectification within period that Audit Committee deem appropriate.
- (1) Transaction was conflicts of interest.
 - (2) Fraud or irregularity or a significant deficiency in internal control system.
 - (3) Violation of the law on Securities and Exchange, requirements of the Stock Exchange of Thailand or the laws relating to the Company's business.
- If the Board of Directors or Executive fails to make a rectification within period according to the first paragraph, one of member of Audit Committee may report such transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.
- 16) Authorized to hire the consultant or outsider according to regulation of the Company to comment or consulting if needed.
- 17) Authorized to invite the Executive or any related person of the company to comment, attend meetings or provide relevant information.
- 18) Report the performance of Audit Committee to the Board of Directors acknowledge at least 4 times per year.
- 19) Evaluation of its own performance annually.
- 20) Review and evaluate on the adequacy of its charter and propose the change to the Board for approval.
- 21) Perform any other duties as assigned by the Board of Directors.

Executive Committee

As at February 28, 2020 the Executive Committee consisted of 4 members as follows.

No.	List of Executive Committee	Position
1	Mr. Arak Ratboriharn	Chief Executive Officer
2	Mr. Phonlasit Phumiwasana	Executive Committee
3	Mr. Korchoke Saengtongaram	Executive Committee
4	Mr. Pakorn Mongkoltada	Executive Committee

Elements and qualifications

The Executive Committee must have at least 4 members consisting of Chief Executive Officer as a Chairman of Executive Committee by position and other persons who the Board of Directors appointed to be member of Executive Committee, are employees and/or outsider. This requires knowledge and experience sufficient to serve management of the Company's business as well.

Tenure

Member of Executive Committee retire from office when

- (1) Died
- (2) Resignation
- (3) The Board of Directors approved to retire.

Any member of Executive Committee would like to resign, shall submit a resignation letter to Chairman of the Board. In cases where position member of Executive Committee is vacant, the Board of Directors shall appoint a new member of Executive Committee within 90 days to make Executive Committee has fully members as the Board of Directors defined.

Scope of Authority and Responsibilities of the Executive Committee

The resolution of the Board of Directors meeting No. 4/2018 held on August 14, 2018, which the Executive Committee attended the meeting to consider and review the scope of duties and responsibilities of the Executive Committee as follows:

- 1) Approval of a loan or any credit for the Company within limits of no exceeding of Baht 500 million for each transaction. The aggregated amount of each transactions will not exceed 30% of shareholders equity.
- 2) Approval of the regular operations of the company such as purchasing of goods, signage project, vehicles, materials, tools, equipment, approval cost, approval write-offs, etc., in limits for each transaction of no exceeding of Baht 100 million or equivalent.
- 3) Approval of investments in equity securities or debt securities in order to earn the return on excess cash of the business within the investment limit of no exceeding of Baht 300 million.
- 4) Managing and operating the business in accordance with the objectives, regulations and resolutions of the shareholders' meeting and Board of Directors in all respects.
- 5) Determining organizational structure and personnel management of the Company.
- 6) Determining and recommending of policy, business practices and the company's business strategy for the Board of Directors to approve.

- 7) Preparing the budget plan for the business year and the annual expenditure budget.
- 8) Conducting business based on the Company's policies, strategies, and budget plan for the annual business operation and the annual expenditure budget that have been approved by the Board of Directors.
- 9) Conducting financial transactions with financial institutions in terms of opening an new account with the bank, or financial institutions, and acquiring the letter of guarantee from the banks or the financial institutions in limit of no exceeding of Baht 100 million.
- 10) Performing other duties as assigned by the Board of Directors.
- 11) Informing the Board of Directors on the agenda that approved by the Executive Committee in the next meeting.

To approve any transaction, the Executive Committee has to follow the rules and regulations regarding the conflict of interests in respect of acquisition or disposition of assets, along with the regulations that may relate to performing such transaction regulated by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC)

Nomination and Remuneration Committee

As at February 28, 2020 the Nomination and Remuneration Committee consists of 3 members as follows.

No.	List of Nomination and Remuneration Committee		Position
1	Mr. Sutee	Phongpaiboon	Chairman of the Nomination and Remuneration Committee
2	Ms. Pranee	Rattakam	Nomination and Remuneration Committee
3	Mrs. Podchanee	Phaosavasdi	Nomination and Remuneration Committee

Objectives

The Nomination and Remuneration Committee is responsible for setting the company's policy and criteria in the selection of directors and determining the remuneration of the Board of Directors and sub-committees. Also, to recruit, select, and nominate the right person to be a director as well as to set the remuneration for a director. This includes working on other assigned tasks and present to the Board of Directors and/or to the Shareholders' Meeting.

Composition of the Nomination and Remuneration Committee

- (1) The Nomination and Remuneration Committee is to be appointed by the Board of Directors company's committee and has to comprise of not less than three persons, being the Company's directors and/or executives by more than one-half of the total number of Nomination and Remuneration Committee's members must be independent directors.
- (2) The independent director shall be the Chairman of the Nomination and Remuneration Committee.

Tenure

- (1) The Nomination and Remuneration Committee's member has the office term of three years.
- (2) The Nomination and Remuneration Committee's member may be re-appointed as the Board of Directors see as appropriate.

(3) Apart from vacating upon the end of office term stated in Item (1), the Audit Committee's member will retire from the office upon the following conditions:

- Resignation
- Dismissal by the Board of Directors

(4) The Board of Directors has power to appoint a new member of the Nomination and Remuneration Committee as to resume the operation and to substitute the member of the Nomination and Remuneration Committee who is out of office term according to Item (1) or Item (3) The substituted member can only be in the office within the remaining term of the member he/she replaced.

Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

The resolution of the Board of Directors meeting No. 2/2016 held on February 26, 2016 which was also attended by the Audit Committee, limitations of authority and responsibilities of the Nomination and Remuneration Committee as follows:

- 1) Generalization, policy and methodology of recruiting proper persons to be appointed as the company's directors, managing director, consultants regarding to their knowledge, capability, renown, experience and honorableness
- 2) To fix the remuneration structure and other benefit of the directors, managing director and consultants in comparison with other comparable industries or businesses
- 3) To ensure the recruiting to be conform to the objectives and principles with discretion, caution and concerning to the best benefit to the company before propose to the board of directors

Remuneration

- (1) Preparing guidelines and policies in determining the Board of Directors and other sub-committees' remuneration, and proposing it to the Board of Directors and/or Shareholders' Meeting for approval as appropriate.
- (2) Determining necessary and appropriate monetary and non-monetary remuneration, for individual members of the Board of Directors by taking into consideration each director's duties and responsibilities, performance, and comparisons against similar businesses, and the benefits expected in return from each director. The report will be submitted to the Board of Directors for consent and to the Shareholders' Meeting for approval.
- (3) Taking responsibility to support the Board of Directors and being responsible for explaining and answering any questions regarding the Board of Directors' remuneration in the Shareholders' Meeting.
- (4) Reporting policies and principles/reasons in determining the remuneration of directors and management according to the SET guidelines by disclosing them in the Company's annual information disclosure (56-1) and annual report.
- (5) Being responsible for any other tasks related to the remuneration as assigned by the Board of Directors.

The management team and other units have to report or present the information relating to the Nomination and Remuneration Committee in order to support the operation of the Nomination and Remuneration Committee to achieve their assigned tasks.

Reporting

The Nomination and Remuneration Committee directly reports to the Board of Directors.

Meetings

- (1) The Nomination and Remuneration Committee holds a meeting when seen as appropriate (at least 1 time a year) and has power to call for an extra meeting if necessary. The Nomination and Remuneration Committee shall comprise of not less than one-half of the total existing members.
- (2) All the Nomination and Remuneration Committee's members shall attend every meeting unless he/she has any necessary matter. In this case, the member has to notify his absence in advance to the Chairman of the Nomination and Remuneration Committee.
- (3) The Chairman of the Nomination and Remuneration Committee shall be the chairman of the meeting. In case where the Chairman of the Nomination and Remuneration Committee is absent, other Nomination and Remuneration Committee's members attending the meeting can select one member to be a substitute chairman of the meeting.
- (4) The resolution of the Nomination and Remuneration Committee can be made by majority vote. Any member of the Nomination and Remuneration Committee, who has any interest or benefit in the related topic shall not vote in that particular topic.
- (5) The meeting invitation letter shall be issued to the Nomination and Remuneration Committee in advance prior to the meeting date held. This excludes the emergency case, where the dates of the meeting will be informed by other methods or the meeting shall be scheduled earlier. The Company Secretary shall take the minutes of the meeting.
- (6) The Nomination and Remuneration Committee can invite any related personnel to attend the meeting in order to provide relevant information to the Nomination and Remuneration Committee.

8.3 Nomination and appointment of Directors and Executives

The Nomination and Remuneration Committee served for nominating candidates to replace Directors and Executives in the case of completed their terms resign or other. In order to comply with the corporate governance guidelines of the Stock Exchange of Thailand and Articles of Association, the Board of Directors and executives of the Company must be fully qualified by the Public Companies Act BE 2535 and the Securities and Exchange Act BE 2535.

The Nomination and Remuneration Committee is responsible for setting the company's policy and criteria in the selection of directors and determining the remuneration of the Board of Directors and sub-committees. Also, to recruit, select, and nominate the right person to be a director as well as to set the remuneration for a director. This includes working on other assigned tasks and present to the Board of Directors and/or to the Shareholders' Meeting.

The Charter of the Nomination and Remuneration Committee was approved by the Board of Directors Meeting No. 2/2016 on February 26, 2016 and become effective on February 26, 2016 onwards.

1) Criteria of Independent Director Selection

Process of Independent Director Nomination

The Remuneration and Nomination Committee shall preliminary consider suitable persons whose qualifications are in accordance with the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand. Also, the candidates shall have useful knowledge and capability that are useful for the Company. The suitable candidates will be proposed to the Board of Directors and the Shareholders' Meeting for approval, respectively. (Only the increase of the number of directors and the appointment of directors in replacement of directors retiring by rotation shall be approved by the Shareholders' Meeting.)

Qualification of Independent Directors

1. Holding shares not over 1 percent of the total shares with voting right of the applicant for license, holding company, subsidiary, associated company or juristic person that may have conflicts, however, it includes shareholding by related persons of the independent director also.
2. Not being or has been a director with management participation on employees, consultant with regular salary or authorized person of the applicant for license, parent company, subsidiaries, associated company, subsidiaries in same level, or juristic person that may have conflicts, except relieved from such characteristic at not less than 2 years before the date of submission for permission from the office.
3. Not being person of whole blood or registration as stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, major shareholders, authorized person or person designated to be management or authorized person of the applicant for license or subsidiary.
4. Not have or has been in business such as making a normal commercial transactions to operate a rental business. or rent a property, concerning assets or services or providing or receiving financial assistance. Other similar circumstances apply to the company, parent company, subsidiaries, associated company or juristic person that may have conflicts in a manner that may obstruct the use of judgment freely, and never as a major shareholder. Non-Independent Directors or management of persons who have business relationship with the company, its parent company, subsidiaries, associated company or juristic person that may have conflict of interest, except relieved from such characteristic at not less than 2 years before the date of submission for permission from the office.
5. Not being or has been auditor of the applicant, holding company, subsidiaries, associated company or juristic person that may have conflicts and not a major shareholder, Non-Independent Directors, managers or managing partners of the audit, the auditors of the Company, parent company, subsidiaries, associated company or juristic person that may have conflicts, except relieved from such characteristic at not less than 2 years before the date of submission for permission from the office.
6. Not being or has been any professional provide which includes legal consulting or financial consulting with service fee over two million baht a year from the applicant, parent company, subsidiaries, associated company or juristic person that may have conflicts, In the case of the professional service provider is a juristic person including a major shareholder, non-Independent Directors, the manager or managing partner of the professional service provider, except relieved from such characteristic at not less than 2 years before the date of submission for permission from the office.

7. Not being a director appointed to be agent of the director of the applicant, major shareholder or shareholder with relation with the major shareholder.
8. Not being a director assigned by the Board of Directors to decided on the operation of the company, parent company, subsidiaries, associated company, subsidiaries in same level, or juristic person that may have conflicts.
9. If the independent directors are independent directors in the parent company, subsidiaries and subsidiaries in same level. The company must disclose information about such positions and the total remuneration received by the independent director in Form 56-1 and Form 56-2.
10. There are no other characteristics that make it impossible to give an independent opinion about the operation of the company.

However, if the Capital Market Supervisory Board announces changes in the qualifications of independent directors The independent directors of the company must have the qualifications as announced in all respects. The company has a policy to limit the number of years of holding positions for independent directors for no more than 9 years. If any independent director has held the position for more than 9 years and is necessary to re-elect to resume his position. The Nomination and Remuneration Committee is responsible for considering the suitability, qualifications, knowledge, and capabilities of the business of the company. Including independence To comply with the regulations of the Securities and Exchange Commission And the announcement of the Stock Exchange of Thailand And propose to the Board of Directors meeting to consider and propose to the shareholders' meeting for approval.

2) Director and Top Executive Selection

Nomination of Directors and Executives

The appointment process to the Board of Directors will be through the appointing committee. This will be considered by the Nomination and Remuneration Committee by using qualifications according to the Act 68 of Standard Qualifications of the Public Company Limited B.E 1992 and other relevant announcements from the Securities and Exchange Commission and regulations from the Stock Exchange of Thailand. Moreover, experiences, knowledge, and capability of the candidate will be considered and the name list will be forwarded to the Shareholders meeting for approval.

Directors are appointed by the resolutions of the Shareholders meeting according to the rules and regulations of the Public Company Limited Act as follows:

- a) Each shareholder shall have one vote for each share.
- b) Each shareholder shall cast the vote for one Director at a time
- c) The persons receiving the most votes in descending order will be appointed as Directors according to the number of Directors to be elected. In case that there is a tie for the last Directors to be elected and this has already exceeds the total number required; the Chairman can cast his deciding vote.

Top Executive Selection

The top executive selection shall be undertaken by the Remuneration and Nomination Committee to select candidates having suitable qualification, experience of working to be further proposed to the Board of Directors for approval. The policy

and criteria for selection of the top executives including succession plan for emergency case or retirement are set forth to avoid any impact to the Company's business as follows:

The Board of Directors approved to set up the succession plan for Chief Executive Officer position and Vice President positions as well as experience transfer to their potential subordinates to work in their replacement for emergency case or retirement. - The basic qualifications of Chief Executive Officer are as follows:

- The education should be not lower than a master degree in engineering field or business administration or other related fields. In case of being educated in lower degree, it is subject to the discretion of the Remuneration and Nomination Committee on his other qualifications.
- Having experience not less than 10 years in the top executive position management
- Having leadership character with wide vision
- Be capable in strategic planning and organizational management

8.4 Supervision of Subsidiary and Affiliated Companies

The Company set up mechanism to supervise and oversee the operations of its subsidiary and affiliated companies as follows:

- (1) The Company sends representatives of the Company to serve as directors, executives, or authorized persons in such companies according to the ratio of shareholding which was approved by the meeting of the Board of Directors.
- (2) The Company has a policy to appoint the audits of the Company to serve as the audits of subsidiary and affiliated companies to regulate and ensure accuracy and completeness in the disclosure of financial status information and operation results, transactions between subsidiary companies and related persons, acquisition and disposal of assets or other important transactions, using the same criteria for disclosure of information and preparation of transaction used by the Company.
- (3) The company has a policy to appoint an outsider with knowledge and ability to be an internal auditor. To check the internal control system of both the company and its subsidiaries To ensure that Management is under good and effective internal control system.

8.5 Control on the use of inside information

The Company controls on the use of inside information by the Code of conduct for Directors, Management and Employees of Aqua Corporation Public Company Limited which was approved by the Board of Directors Meeting No. 2/2016 on February 26, 2016 and it shall become effective from February 29, 2016 onwards.

The Company considered that Directors, management and employees will be responsible for keeping the confidential information of the Company strictly. Especially inside information that has not been disclosed to the public and impact on the business or securities price. Directors, Management including those related (Spouses and underage children of Directors and Managements) Employees will not take the opportunity of being a Director, Managements or Employees in the pursuit of personal gain and in business operation that compete or relate to the Company as well as will not take the inside information to their advantage in trading of the Company's securities and do not disclose confidential information to the competitors of the

company's business, although they was terminated from Director, Managements or Employees already. The Company has process to control on the use of inside information for their own benefit or the others as follows.

- (1) Set for notification of Directors and Managements to understand the duty on reporting of securities holding of their own spouses and underage children as well as report of change in holdings in accordance with section 59 and Penalty provisions under section 275 of the Securities and Exchange Act BE 2535.
- (2) Limit acknowledgment of inside information only Director, Managements, Employees or insiders were involved as necessary and set the authority for the personnel authorized to disclose information of the Company clearly.
- (3) Send circular letter to notify suspend period for trading / transfer of the Company's securities (Backout Period) and prohibit to disclose inside information financial statements during the 1 month period before the public disclosure and within 24 hours after the disclosure of such information already, to Directors, Management including those related (Spouses and underage children of Directors and Managements) and management team for the compliance requirements in such period.
- (4) Set for Directors, Management including those related (Spouses and underage children of Directors and Managements) to inform about trading shares of the Company at least 1 day before trading to the Board of Directors or the assignment.
- (5) Set the regulations for security of computer system and information of the Company stringently.

The Company also impose penalties in case of breach on the use of inside information for their own benefit with penalties ranging from a verbal warning to leaving their job.

8.6 Remuneration of Auditor

Articles of Association stated that the Annual General Meeting of Shareholders shall appoint the Auditor and determine audit fee of the Company every year. The appointment of auditor can appoint existing auditor again. The auditor must not be a director, staff, employee or person who holding any position in the Company.

The Annual General Meeting of Shareholders 2018 on April 20, 2018 appointed Miss Chaovana Viwapanachati, CPA No.4712 or Miss Wanpen Aunruen, CPA No.7750 or Miss Porntip Amornchailertpattana CPA no. 9589 of the company's Pitisevi Company Limited as the auditor of the Company with remuneration not exceeding 1,330,000 Baht for the year ended December 31, 2018 including authorization by the Board of Directors to approve the audited financial statements that may occur during the year.

Pitisevi office Company Limited was an auditor of the Company since 2012 - 2018, total of 7 years and the auditor of its subsidiaries is the same office of the Company's Auditor. Details of audit fee as follows.

1. Audit fee

No.	Company	Audit fee		
		2019	2018	2017
1.	Aqua Corporation Pcl.	1,330,000	1,330,000	1,280,000
2.	Mantra Asset Co., Ltd.	120,000	120,000	100,000
3.	Aqua Ad Pcl.	970,000	970,000	950,000
4.	Thai Consumer Distribution Centre Co., Ltd.	310,000	310,000	295,000
5.	Accomplish way Co., Ltd.	120,000	120,000	120,000

No.	Company	Audit fee		
		2019	2018	2017
6.	Boardway Media Co., Ltd.	750,000	700,000	600,000
7.	M.I.S Media Co., Ltd.	120,000	120,000	120,000
8.	S.Thana Media Co., Led.	117,500	-	-
9.	Texas 121 Co., Ltd.	-	30,000	90,000
Total		3,720,000	3,837,500	3,700,000

2. Non-audit fee

In 2019 the Company and subsidiaries paid non-audit fee which includes travel expenses and reviewed report expenses for the auditor ass follow:

No.	Company	Non-audit fee		
		2019	2018	2017
1.	Aqua Corporation Pcl.	7,100	10,480	8,500
2.	Mantra Asset Co., Ltd.	1,550	9,766	8,500
3.	Aqua Ad Pcl.	10,100	73,600	11,500
4.	Thai Consumer Distribution Centre Co., Ltd.	650	12,863	8,500
5.	Accomplish way Co., Ltd.	1,550	8,048	9,500
6.	Boardway Media Co., Ltd.	12,100	91,200	10,500
7.	M.I.S Media Co., Ltd.	3,050	28,840	5,000
8.	S. Thana Media Co., Ltd.	2,000	-	-
9.	Texas 121 Co., Ltd.	-	1,500	4,500
Total		38,100	236,297	66,500

9. Information about Directors, Executives, Control authority and Company Secretary

(1) Background of Directors, Executives, Control authority and Company Secretary as at 28 February 2020

Name – Last name / Position / Appointed date	Age (year)	Education background	% of Share-holding	Family relationship between Directors and Executives	Working Experience		
					Period	Position	Company / Corporate
(1) Mr.Yuth Chinsupakul Chairman of the Board Date of appointment to Director at December 11, 2018	75	<ul style="list-style-type: none"> Master of Electrical Engineering, GEORGE WASHINGTON UNIVERSITY Bachelor of Mathematics, UNIVERSITY OF OREGON DAP class 143/2017 	0.04 % (2,000,000 shares)	No	Dec 18-Present	Chairman of the Board	Aqua Corporation PLC
					2017-Present	Director	Solar Power Management (Thailand) Co., Ltd.
							That Siri Co., Ltd.
							STC Energy Co., Ltd.
							Apex Energy Solution Co., Ltd.
(1) Mr.Yuth Chinsupakul Chairman of the Board Date of appointment to Director at December 11, 2018	75	<ul style="list-style-type: none"> Master of Electrical Engineering, GEORGE WASHINGTON UNIVERSITY Bachelor of Mathematics, UNIVERSITY OF OREGON DAP class 143/2017 	0.04 % (2,000,000 shares)	No			TAC Energy Co., Ltd.
							SSUT Co., Ltd.
							PPTC Co., Ltd.
							Alternative Energies Kabushi Kaisha
							Kurihara Godo Kaisha
							AE Power Godo Kaisha
							Higashi Nihon Mega Solar 3 godo Kaisha
					2016-Present	Director	Epco engineering Co., Ltd.
					2015- Present	Director	Prachin Solar Co., Ltd.
					2014- Present	Director	Epco Energy Co., Ltd.
					2012- Present	Director	Eastern Power Group Plc.
							JKR Energy Co., Ltd.
							RPV Energy Co., Ltd.
							Epco Green Power Plus Co., Ltd.
							Aquatis Energy Co., Ltd.
							Lopburi Solar Co., Ltd.

Name – Last name / Position / Appointed date	Age (year)	Education background	% of Share-holding	Family relationship between Directors and Executives	Working Experience		
					Period	Position	Company / Corporate
(2) Mr.Sutee Pongpaiboon Independent Director , Chairman of Audit Committee , Chairman of Nomination and Remuneration Committee , Date of appointment to Director December 11, 2018	55	<ul style="list-style-type: none"> ● Bachelor of Laws, Ramkhamhaeng University, 1987 ● Diploma of Vocational Education (2nd Training), Lawyer Council of Thailand ● Extraordinary members of the Thai Bar Association, 1988 ● DAP Year 2007 	No	No	Dec18-Present	Chairman of Audit Committee	Aqua Corporation Plc.
					April18– Present	Chairman of the Nomination and Remuneration Committee	Nation Broadcasting Corporation (NBC)
						Independent Director/Audit Committee	Thai-German Product Plc.
						Legal Consultant	Kuang Pei San Food Products Plc.
						Legal Consultant and lawyer	Christiani & Nielsen (Thai) Plc.
						Legal Consultant and lawyer	Hitachi Industrial Technology Thailand) and Affiliated company
						Legal Consultant	Pangman Somdej Co., Ltd.
						Legal Consultant and lawyer	AIM Star Network Co., Ltd.
						Legal Consultant	Lea Trois and Affiliated Company
						Legal Consultant	U-Nakan Co., Ltd.
						Legal Consultant and lawyer	Titanco International Co., Ltd. and Affiliated Company
						Legal Consultant and lawyer	Iris Group Co., Ltd.
						Legal Consultant	The Thai Dairy Industry Co., Ltd.
						Legal Consultant	Inter Express Logistics Co., Ltd. and Affiliated Company
					1999-Present	Managing director	Sutee Pongpaiboon Low Office Co., Ltd.

Name – Last name / Position / Appointed date	Age (year)	Education background	% of Share-holding	Family relationship between Directors and Executives	Working Experience		
					Period	Position	Company / Corporate
(3) Mr. Arak Ratboriharn Director , Acting The Chief Executive Officer, Director with authorized signature , Executive Director Date of appointment to Director July 12, 2016	55	<ul style="list-style-type: none"> Master of Accountancy (Accounting and Finance) 1989 Thammasat University Bachelor of Accountancy (Cost Accounting), 1985, Chulalongkorn University DCP training 129/2010 	No	No	Jul 16 - Present Present Present	Director , Executive Director President Director Director Consultant Director	Aqua Corporation PLC. Aqua Ad PLC Mantra Asset Co., Ltd. M.I.S. Media Co., Ltd. Epcos Printing Plc. News Network Corporation Plc. Thai-French Technical and Technical Association (TFTA) Springnews Corporation Co., Ltd. Zync Technology Co., Ltd. Ruammua Ruamjai Co., Ltd. Springnews Televisions Co., Ltd. Environ Mental Solutions Integrator Co., Ltd. News Network Multimedia Co., Ltd. Thansettakit Multimedia Co., Ltd. Green Net 1282 Co., Ltd.
(4) Mr. Phonlasit Phumiwasana Director , Director with authorized signature , Executive Director Date of appointment to Director February 2, 2011	46	<ul style="list-style-type: none"> MBA (Finance) ,MS (Economic) Claremont Graduate University BBA, La Sierra University DAP training Class 78/2009 	No	No	2018-Present Feb17-Present Apr16-Present Nov15-Present Jan15-Mar60	Director Director Director Director Director	KTB Rich Management Co., Ltd. Boardway Media Co., Ltd. Aqua Ad PLC. Accomplish Way Co., Ltd. 121 Power Co., Ltd.

Name – Last name / Position / Appointed date	Age (year)	Education background	% of Share-holding	Family relationship between Directors and Executives	Working Experience		
					Period	Position	Company / Corporate
					June14-Present Sep.13- May14 2011 – Present	The Chief Executive Officer Director, Executive Director Director	Thai Consumer Distribution Center Co., Ltd. Aqua Corporation PLC. Mantra Asset Co., Ltd.
(5) Mr. Grisada Jarreonkonkit Director Date of appointment to Director April 9. 2013	53	<ul style="list-style-type: none"> ● Master of Arts in Economics, Chulalongkorn University ● Bachelor of Arts in Economics,Dhurakij Pundit University ● DAP training Class 117/2015 ● Company Secretary Program class 93/2018 ● Strategic CFO in Capital Markets Program Class No.8 	No	No	Dec 17-Present Dec 17-Present Dec 17-Present May16-Present 2013- Present April16-Present Dec 15- Jan 18 2013-2017 April 13-Aug 13 2012 - 2014	Director Director Director Director Secretary of the Board of Directors Directors Directors Directors Directors Independent Director /Audit Committee Director	One Power Co., Ltd. Shine Energy Co., Ltd. Beam Corporation Co., Ltd. Mastech tool & service Co., Ltd. Gear Corporathon Co., Ltd. Max Metal Corporation Plc. Aqua Corporation Plc. Aqua Ad Plc. Texas 121 Co., Ltd. Maxtric PLC. TWZ Corporation Plc. General Engineering Plc.
(6) Mr.Korchoke Saengtongaram Director, Director with authorized signature , Executive Director Date of appointment to Director August 15, 2016	31	<ul style="list-style-type: none"> ● Master of Finance, University of Exeter ● Bachelor of Economics, Chulalongkorn University ● DAP training Class -No- 	No	No	Feb 2017 - Present August 2016 - Present July 2014 – July2015	Director , Executive Director Investment analyst	Baordway Media Co., Ltd. Aqua Corporation PLC. Aqua Corporation PLC.

Name – Last name / Position / Appointed date	Age (year)	Education background	% of Share-holding	Family relationship between Directors and Executives	Working Experience		
					Period	Position	Company / Corporate
(7) Mr. Pakorn Mongkoltada Director, Director with authorized signature , Executive Director Date of appointment to Director February 28, 2020	40	<ul style="list-style-type: none"> ● Bachelor Degree, Marketing : National University, USA ● DAP training Class 78/2009 	12.53% (575,301,500 shares)	No	July 19 – Present April 17 – Present Feb 17 – Present August 13 – Present June 08 - Present	Director Director Director Director Director and Chief Operating Officer	S. Thana Media Co., Ltd. M.I.S Media Co., Ltd. Boardway Media Co., Ltd. Mantra Asset Co., Ltd. Aqua Ad PLC.
(8) Ms. Pranee Rattakam Independent Director, Audit Committee, Member of Nomination and Remuneration Committee Date of appointment to Director May 11, 2010	56	<ul style="list-style-type: none"> ● Master of Business Administration, Chulalongkorn University ● Certified Public Accountant ● Bachelor Degree of Accountancy, Chulalongkorn University ● DAP training Class 79/2009 	No	No	2010 – Present April 16 - Present 2003 – Present	Independent Director / Audit Committee Nomination and Remuneration Committee Independent Director / Chairman of Audit Committee Assistant Chief Executive Officer	Aqua Corporation PLC. Wiik & Hoglund PLC. Krungthai Card PLC.
(9) Mrs. Podchanee Phasavasdi Independent Director Audit Committee Member of Nomination and Remuneration Committee Date of appointment to Director May 10, 2013	59	<ul style="list-style-type: none"> ● Master of Business Administration – Marketing, Ramkhamhaeng University ● Bachelor of Literature Arts Official, Chulalongkorn University ● DAP training Class 64/2007 ● RCC training Class 9/2009 ● DCP training Class 151/2011 ● RMP training Class 4/2014 	No	No	Nov 17 - Present June 17 - Present 2016 - Present 2015 - Present 2013 – Present 2013 – Present	Director Director Director Executive Director / Chief Marketing Officer, And Director of Marketing. Independent Director / Audit Committee Remuneration and Nomination Committee Committee And Risk	SH Crossings Co., Ltd. TRC Utility Co., Ltd. Asen Potash Chaiyaphum Co., TRC Construction PLC. And Sahakarn Wisavakorn Co., Ltd. Aqua Corporation PLC. TRC Construction PLC.

Name – Last name / Position / Appointed date	Age (year)	Education background	% of Share-holding	Family relationship between Directors and Executives	Working Experience		
					Period	Position	Company / Corporate
					2012 – Present 2011 – Present 2007 – Present 2006 – Present	Management Committee Corporate Governance Director Director and Managing Director Director	TRC Construction PLC. TRC Engineering LLC and TRC Middle East LLC Republic Sultanate of Oman TRC Construction PLC. Sahakarn Wisavakorn Co., Ltd.
(10) Ms. Rewadee Whanchid Company Secretary Asst. Managing Director CFO Date of appointment to Company Secretary February 6, 2014	50	<ul style="list-style-type: none"> ● Master of Business Administration Kasetsart University ● Bachelor of Business Administration in Accounting, Ramkhamhaeng University ● DAP training Class 79/2009 ● Seminar to disseminate the study results of accounting transaction information that the auditor proposed to listed companies to amend financial statements. For the auditing of the 2018 financial statements (Audit Adjustment) 	No	No	Jan19-Present Feb17-Present Nov15-Present Feb15- Present Jun14- Present Feb 14- Present 2012 – Present 2008 – Present 2012 – Present	Director Director Director Director Director Company Secretary Chief Financial Officer Director Director	WOG ITR Water Solution Co., Led. Baordway Media Co., Ltd. Accomplish Way Holdings Co., Ltd. Wiik & Hoeglund PLC. Thai Consumer Distribution Center Co., Ltd. Aqua Corporation PLC. Aqua Corporation PLC. Aqua Ad PLC. Mantra Assets Co., Ltd.

Note: The authorized directors of the Company who can sign to bind the Company are Mr.phonlasit Phumiwasana , Mr.Arak Ratboriharn , Mr.Korchoke Saengtongaram and Mr. Pakorn Mongkoltada any two of these four directors are authorized to jointly sign with the Company's seal affixed

(2) Tenure as Directors and Executives in Subsidiaries, Associates and related companies, As at 28 February 2020.

List of executives and regulators			AQUA	Subsidiaries holding by the Company				Subsidiaries holding			Related company
				MA	By subsidi- aries	EPCO	BWM	โดยบริษัทย่อย			EPCO
								AWH	MIS	STN	
1	Mr.Yuth	Chinsupakul	X , /								X , / , //
2	Mr.Sutee	Pongpaiboon	XX , /								
3	Mr.Arak	Ratboriharn	/ , //	/	/				/		/
4	Mr. Phonlasit	Phumiwasana	/ , //	/ , //	/	/ , //	/	/			
5	Mr. Grisada	Jarreonkonkit	/		/						
6	Mr. Pakorn	Mongkoltada	/ , //	/	/ , //		/		/	/	
7	Mr.Korchoke	Saengtongaram	/ , //				/				
8	Ms. Pranee	Rattakam	/								
9	Mrs. Podchane	Phaosavasdi	/								
10	Ms. Rewadee	Whanchid	//	/	/	/	/	/	/	/	

Name of Subsidiaries by the Company

1. Mantra Asset Co., Ltd. (MA)
2. Aqua Ad PLC. (AA)
3. Thai Consumer Distribution Centre Co., Ltd. (TCDC)
4. Texas 121 Co., Ltd. (TEXAS)

Note : X = Chairman of the Board, XX = Chairman of Audit Committee , / = Director , // = Executive

Name of Subsidiaries by Subsidiaries

1. Accomplish Way Holdings Company Limited (AWH)
2. M.I.S. Media (MIS))
3. S. Thana Media Co.,Ltd. (STN)

Name of Related Company

1. Eastern Printing PLC. (EPCO)

(3) Responsibilities of Company Secretary

The Company's secretary shall perform duties as prescribed in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) BE 2551, which shall come into force on August 31, 2008, with responsibility. Careful And honesty It must comply with law, objectives, Company Regulations, Resolutions of the Board. The resolutions of the Shareholders' Meeting to the legal duties of the Company Secretary are as follows:

- (1) Prepare and maintain the following documents:
 - A. Registration's Director
 - B. Minutes of the Board of Directors Meeting And the company's annual report.
 - C. Invitation of Shareholders Meeting and minutes of the Annual General Meeting of Shareholders
- (2) Keep a report of interest reported by a director or executive. A copy of the report on interest in Section 89/14 shall be sent to the Chairman of the Board. And Chairman of the Audit Committee within 7 Business days from the date of receipt of the report.
- (3) Perform other actions as prescribed by the Board of Capital Market Supervisory.

In addition, the Company Secretary has other duties as assigned by the Company (or the Board of Directors) as follows:

- To perform the duties of the Board of Directors, the Management, and the Shareholders' Meeting. This is in accordance with the Company's regulations.
- Prepare the agenda for Shareholders' Meeting And Board Meetings
- Prepare the Shareholders meeting and the Board of Directors meeting shall be in accordance with the law and the Company regulations and good practices
- Record of Minutes of Shareholders' Meeting, and the Board of Directors Meeting, also, follow up the resolution of the Shareholders' Meeting. And the Board of Directors Meeting.
- Prepare and keep a register of directors, Annual Report, Invitation of the Shareholders' Meeting, Invitation of the Board of Directors Meeting, Minutes of the Shareholders' Meeting and the minutes of the Board meeting.
- To perform the Execute Directors and Executives to report their interests and related persons. Legal requirements
- Keeping reports of interests reported by directors or executives as required by law.
- Ensure information is disclosed and inform the responsibility for the agency that directed the company follow the rules and regulations of the authorities.
- Contact and communicate with the shareholders to know the rights of shareholders and company news, it is a medium between shareholders with the Board and Management
- Oversee the activities of the Board of Directors.
- Contact with other departments within the company for details on the presentation. (Presentation)
- Communication of business information to investors, analysts, shareholders.
- Maintain updated information on website in terms of investor relations, including contact with the SET, SEC related to investor relations.

10. Corporate Social Responsibilities : CSR

10.1 Overall Policy

The company has established a long-term plan for the implementation of CSR and the Board of Directors will determine the vision and guidelines for the operation of the Company's management. As well as the policies and guidelines for the implementation of other related management as proposed. The company will consider the business as good corporate governance and business ethics. As well as taking into account the impact of the business stakeholders closer to direct business partners, employees, shareholders, customers and the surrounding community. As well as those related to business taken by regulatory authorities, such as the state and the general public.

The Company and its subsidiaries implement the environmental and social responsibility guidelines as part of business process management (CSR-in-Process) is defined as Corporate Social Responsibilities (CSR) as follows:

1) Operation with fairness

To achieve fairness in business operation, the Company has determined code of ethics for its employees and announced a guideline for operations of the Company on February 22, 2013 and updated Code of Conduct on February 26, 2016.

The Company expects all staff to perform their duties without obligation or commitment of any relevance that related to exploitation by outsiders. The business operation or any legal action of the Company must be correctly under legal and any related regulations always, both transactions occurring domestic and overseas.

The Company operates its business based on openness, honesty, reliability, rationality and justice. Such fundamental ethical principles will be taken to treat our customer, partner, government official and personnel in the group companies as well as any business operation that related to products and environment.

2) Anti-Corruption

Code of Conduct for Anti-Corruption And complaint channels or to report clues in such matters in accordance with the anti-corruption and corruption policy (Anti-corruption) and the announcement of anti-corruption and corruption policies Anti-Corruption Policy, which was approved by the Board of Directors Meeting No. 4/2018 on August 14, 2018, with a policy to encourage directors, executives and employees at all levels to operate the business correctly. With integrity, transparency and fairness in accordance with the corporate governance and governance policy and ethics and ethics of executives and employees

On May 21, 2019, the Company was certified by the meeting of the CAC committee no., 1/2019 to be as the member of Thailand's Private Sector Collective Action Coalition Against Corruption. Such certificate has 3 year term from the approval date. The Company attended the ceremony of the certificate at the Institutes of Directors (IOD) on October 18, 2019.



In 2019, there was no complaint or notifying clues related to corruption or corruption to the Audit Committee in any way

3) Respect for human rights

The Company focus on human rights basic to promote respect for rights and freedoms of non-discrimination and promote equality by regardless of the differences of race, skin color, gender, language, religion, physical status or health and we expect all staff to treat each other with honesty, integrity, fairness and respect which includes respect for different culture and traditions. The Company does not accept disparaging, bias, favoritism, discrimination and does not accept any behavior of its employees or partners who are behaving in a way threatening or damaging to the Company. We defined the ethical principles guidelines for employees which sets guidelines on such matters clearly. And announced a guideline for operations of the Company on February 27, 2016 and updated Code of Conduct on February 26, 2016.

4) Practice on workers fairly

In order to adhere to the principles of corporate social responsibility with regard to the efficiency and effectiveness of welfare benefits that employees receive. The company has set guidelines for employees to follow.

1. The recruitment and selection

The company has to focus on the process of recruitment and selection of personnel to work with the Company on the basis of tests to measure knowledge. The ability to work as a primary candidate to be sure that the Company personnel are competent and appropriate.

2. To promote and support the development of skills.

The company is convinced that the development of the appropriate method will be particularly important to encourage qualified personnel capacity and performance to develop the skills, knowledge and ability to work in duty currently on the rise. And to improve the weaknesses arising from the evaluation of performance and to provide employees with opportunities for career advancement in the capabilities and potential of each person fully. It also helps to increase the competitiveness of the organization. The company organizes training seminars with this method.

- i. The seminar provides knowledge, experience from outside speakers. Luminaries are competent. And a specialist in such matters. To complement the concept in the management of the executive staff to include knowledge about finance and investments Finance for Non-Finance.
- ii. The delivery personnel attend training seminars outside the organization.

In addition, the company has set. Evaluating potential personnel continued. In evaluating potential personnel. The Company uses to evaluate each other. Both supervisors Subordinate Self-assessment and continuous And after evaluation The company has communicated back to the employees individually. So that employees and supervisors have been evaluated. And clarify understanding the results were used to develop their potential and team. Including the scores will be used as part of the annual evaluation. To determine the compensation and annual bonus as well. In this section, we are bringing computer technology to assist in the evaluation system. For added convenience, to assess and reduce the use of office documents (Paperless) as well.

3. The compensation fairly

The company has set up a compensation to the employee to work properly qualified by knowledge and experience and meet the standards set by the government. Including due to the increase in annual salary to employees 1 time per year based on the performance of employees. The Company has provided an evaluation of the performance of employees by one year from the performance of employees and departments. Based compensation Pay for Performance.

4. Employee Benefits

In addition to the salary and compensation. The company also provides appropriate benefits to employees as appropriate to include economic conditions and living.

- Provident Fund
- allowance for employees who come to work consistently throughout the month.
- Health and welfare benefits to employees: -.
 - Life insurance for all employees.
 - Life insurance for employees who leave the workers.
 - Health insurance to help ease the burden of healthcare costs of employees. The entire treatment is out-patient and in-patient. Including the cost of dental treatment
 - The annual health check for employees at 1 time a year.
- Welfare activities to help promote and build unity among employees, such as the carnival and party occasions. Including the New Year So that employees can work together. And help ease tensions in the workplace for employees.
- Welfare case workers help parents, spouses and children died.
- Welfare staff Victims in the case of emergencies, including emergency welfare assistance to the flood victims. And also have customized assistance to victims of other natural as well.

5) Responsibility to Consumer

1. The Company have a detailed description of the media. Price clearly To simplify the customer decision. According to media advertising, customer advertising is accurate and does not cover the content is significant. Or incentives to buyers, media misconceptions.

2. The contract between the company and its partners and customers. Justice written in clear language. Read and easy to understand No condition or impose unfair terms on a deal that is too long. By allowing the parties to study and inquiry and information an agreement to acquire media or the production of advertising Including contract hire and contract warehousing. Before signing the agreement.

6) Caring for environment

1. The Company has a policy to use resources worthily and efficiently. Including recycling resources such as reducing unnecessary paper usage And store important documents by using electronic communication tools in the form of files or electronic documents (e-Document) instead and delivery by email instead of copying documents to other agencies. Including the use of recycled paper in the department Which not only reduces the use of paper produced from natural resources, but also saves storage space and is easy to search. And save energy from copying documents Including turning off the lights at noon or when not using use energy-saving lamps and equipment when the lamp is damaged or the lamp pins turn brown or black, should be replaced immediately to prevent fire due to short circuit. Turning off the air conditioner immediately when not in use, etc.

The Company has an intention and objectives for madkin good management of naural resources which is applicable to every employess by giving knowledge and traning to the employees, for the purpose of initiate awareness of community, environmental and public the every level of the employee, and encouraging the employees join the Company's activities.

2. The Company's policy is in line with state agencies to save electricity. The media of all types that require lighting. Off Automatic lighting of the media after 22:00 p.m. to secure the implementation of the policy communicated to employees and customers, the company acknowledged in writing through the sales documents of the Company.

7) Community or social development

1. The company and subsidiaries realize the responsibility to participate in social, community and environmental development. Therefore has a policy to allocate annual budget to support projects and activities related to the matter and encourage directors, executives and employees to participate in activities for social responsibility and community development. The Company have continuously organized activities for social and community development since 2014, and using the slogan " **AQUA fulfill, Make the Dream, Share Hapiness** ". During the first part of the activity the Company started with the project "Nong Im Pee Suk", a project that donated necessary things, have lunch and participate in activities between executives Company employees, teachers and students. At present, this project has been continuously operated by 2020 for the seventh year. Details of activities during 2017-2020 are as follows:

Year	Activity day	Place	Activity
2020	13-15 Febuary 2020	1) Ban Nam Phiang Din School (Huai Pu Kaeng classroom) , 201 Moo 3, Phabong Subdistrict 2) Ban Rak Thai School , Moo 6, Ban Rak	Donate things, teaching / agriculture equipment and donate money for use in school activities lunch and leisure activities together.

Year	Activity day	Place	Activity
		Thai, Mok Champae Subdistrict 3) KAYAN TARYAN School , Ban Mai Evacuation Center Nai-Soi , Pang Mu Sub- district 3 Schools in Mueang District, Mae Hong Son Province	
2019	24 January 2019	Ban Khao Ang Kaew School, Khao Kra- pook Sub-district, Tha Yang District, Phetchaburi Province.	Donate things, teaching / agriculture equipment and donate money for use in school activities lunch and leisure activities to- gether.
2018	18 January 2018	Makutkiriwan Foundation for the Blind, Pong Ta Lod Subdistrict, Pak Chong Dis- trict, Nakhon Ratchasima Province.	Donate money to make teaching materials.
2017	15 December 2017	Mae Mon Child Development Center, Huai Chomphu Subdistrict, Mueang Dis- trict, Chiang Rai Province.	Donate things.
	14 January 2017	New Life School, Thong Pha Phum District, Kanchanaburi Province.	Donate things, teaching / agriculture equipment and donate money for use in school activities lunch and leisure activities to- gether.

In addition, by 2020, AQUA has surveyed the needs of some schools, found that Ban Nam Phiang Din School (Huai Pu Kaeng classroom), which is a branch school that has teaching from kindergarten to grade 6, but there are not enough teachers and the number of classes open. The school has therefore hired 2 additional teachers by procuring funds for this part of the money. AQUA sees that this activity increases the quality of education for students. And to ease the burden of school financing Therefore established the project **"Join in creating opportunity for Education"** which is held for the first year. AQUA will support funds for hiring teachers at Ban Nam Phang Din School, 72,000 baht per year starting from January 2020 onwards and in the following years AQUA will expand this opportunity to other schools. As the company sees necessary and to be a part of creating educational opportunities



This year, AQUA launches the "AQUA Royalty New Staff" project, which is based on the idea of Teacher Krisana's Aden Garden Dormitory Project, which provides opportunities for children in grade 6 to live in remote areas. far Inconvenient travel Including some students, parents do not have enough money to send their children to further education at secondary schools, vocational schools, vocational schools and bachelor degree programs, which will accept children who want to further their studies. Come to live in the dormitory of the project. The project will provide accommodation and food during the semester. And discipline training for students Including paying tuition fees for some students that parents cannot afford the company sees the opportunity to coordinate to take over from the project after the students graduate. In order to find a suitable position to join to work with the company. The company will start by having to participate in the company's activities annually In order to absorb the culture of the organization or providing scholarships to students who lack funds for tuition fees etc.

On March 2, 2020, the company received a student who graduated with a vocational certificate from the Eden Gardens Dormitory Project. Mae Hong Son province, joined the event as 1 electrician and the company has arranged accommodation and has seniors who are employees or supervisors, used to provide assistance in all aspects, both the knowledge required to work and live in society. And this employee will be paid And various welfare The same as the employees of the company In addition, the company have planned further studies.

The company foresees the participation. In creating educational opportunities and various opportunities For school students, including parents Which, if everyone has a level of education that can be used to make a career after graduation Have the opportunity to work in the program that has been studied have the opportunity to build a career and receive money so that you can bring it back to your family or creating opportunities for future generations. The company is therefore determined to create these opportunities in areas that still need help.



2. The company supports the promotion of CSR activities of the organizations. Both public and private sectors by providing advertising space on the exterior housing parts to be used for various corporate events published to the public good for society in general.

10.2 Anti-Corruption Policy

The Company places importance on anti-corruption and bribery for business benefits. Board meeting Resolved to approve the Company to sign and show intention to join the the Thai Private Sector Collective Action Coalition Against Corruption. The Company has adopted such intentions to add more in the ethics of directors, executives and employees including the Company's practices of good corporate governance.

The Company requires personnel must acknowledge and understand and strictly comply with the law regarding anti-corruption policy by defining the best practices as follows.

Anti-Corruption Policy

"The Company's directors, executives and employees are prohibited to accept all forms of corruption, both directly and indirectly such as receiving goods, gifts, entertainment, money, donations and other benefits to themselves, from those who do business with the Company".

This will cover all employees, partners, customers and stakeholders in the country and abroad and arrange for the review of operations in accordance with the anti-corruption policy regularly at least once a year.

Definition of "corruption":

Means bribery in any form by offering to promise, give, pledge, claim or receiving (in the form of money / assets) or any other benefit that is not appropriate to government officials, government agencies, private agencies, partners, customer, and all stakeholders whether directly or indirectly to allow such person to act or ignore the duties which has been acquired to maintain the business or recommend business to the Company especially or to obtain or maintain any other benefits that are not suitable for the business. Unless it is law, regulation, announcement, rules, local traditions, or trade tradition, can be done.

Definition of "giving goods or other benefits":

Means giving special privileges in the form of money, assets, goods or any other benefits, to be remuneration, reward or for building good relationship.

Definition of "Bribery":

Means offering or accepting gifts, prizes or other benefits for oneself or from someone who wants to convince them to do something dishonest illegal or unethical of the Company.

Good practice

1. The Company's directors, executives and employees must comply with the anti-corruption policy and work ethics which must not be involved in corruption whether directly or indirectly.
2. The Company's employees and executives must not ignore:
 - 2.1 When witnessing actions that are subject to corruption that is related to the Company by notifying the supervisor or the responsible person and cooperate in the investigation of various facts. If in doubt or inquiry, consult the supervisor or persons designated to be responsible for monitoring compliance with the Code of Conduct through channels defined.
 - 2.2 Must not have direct or hidden benefits in personal, family, and friends with the Company such as do anything to sell products and services to the Company or compete with the Company.

- 2.3 Avoid accepting parties from business related to the Company or from the others which may benefit from the performance of employees.
- 2.4 Do not call or receive unjust benefits whether directly or indirectly or any other benefit to gain business benefits including not taking advantage of bribes or wrongful fraud in business operation.
3. Provide reliable financial reporting, an efficient operation system by providing transparency and consideration risk of corruption in operation with regular monitoring.
4. The Company has channels to inform clues about corruption action which will give fairness and protect employees who refuse or inform about corruption related to the Company by using measures to protect the complainant or those who cooperate in reporting corruption as specified by the Company in the complaint notification policy and suggestions.
5. People who commit corruption is an unethical act of the Company which must be considered for disciplinary action according to the regulations set by the Company and punishable by law if the action is illegal.
6. The Company gives importance to publishing, promote, knowledge, and understanding with the others who have to perform duties related to the Company and the Company's stakeholders to lead to good consciousness.

Requirements for operation

1. Any actions in accordance with the anti-corruption policy, it shall use the guidelines as specified in the Corporate Governance and Business Ethics Manual, policies and guidelines for all stakeholders, regulations, relevant work manuals and any other guidelines that the Company will set up.
2. This anti-corruption policy shall cover all activities related to the Company's operation.
3. Determine the risk assessment on corruption occurring throughout the organization annually.
4. To allow clarity in the implementation on the risk of corruption, directors, executives and employees of all levels must perform their duties with care in the following matters:
 - 4.1 Receiving things / giving things or any other benefits: set the guidelines as follows.
 - 4.1.1 Receiving things or any other benefit
 - 1) Executives and employees are prohibited: receive, requesting solicitation, gift, reception, providing financial support services, money, any reward from partners, creditors or stakeholders who do business with the Company.
 - 2) Requesting support in the form of money or things can be done in a manner of organization to organization which must be approved by the authorized directors only.
 - 3) Except in the occasion or festival which is a conventional practice by any other thing or benefit must have a price or value of not more than 5,000 Baht and / or need to maintain a good relationship between individuals or between organizations.
 - 4) Requiring senior management (From managers and above) being the representative of the organization in receiving any other goods or benefits and submitting to the Managing Director through the Central Personnel Management Office within 5 working days from the date of receiving the things or any other benefits.

- 5) Except for gifts during the traditional festival, the Company allows employees to receive with a value not exceeding 500 Baht such as calendar, keychain, notebook, etc. With the logo of the organization specified by assigning high-level executives (From managers and above) is a representative to receive and has the power to consider distributing such gifts to employees, but must report to the Managing Director Know through the Central Personnel Administration Office In writing.
- 6) To prevent conflicts of interest, the Company absolutely does not allow employees or persons that does not assign as a representative to receive any items or other benefits.

4.1.2 Giving things or any other benefit:

- 1) Giving things on the occasion of the festival, which is a tradition that people should treat each other and the Company will supply any other thing or benefit which determines the price or value not exceeding 5,000 Baht.
- 2) To avoid taking bribery, the Company requires the survey and check the suitability before proceeding to prevent leads to corruption and requiring senior executives to be representatives of the organization in giving any other goods or benefits.

4.2 Charitable donations or support: giving / receiving donation, contribution must be fully transparent, legally by ensuring that donations or support not being used as an excuse for bribery.

4.3 Politics: The Company operates with political neutrality, not participating in any political party or any political authority; do not use the Company's capital or resources to support to any political party or politician whether directly or indirectly.

4.4 Business relationship and procurement: Do not bribe or accept bribes in any kind of business with partners, counterparty, government agencies or the organization that has business with the Company. Must proceed to be transparent and according to relevant laws.

4.5 To create good norms in business operations. The Company has set a policy to refrain from receiving gifts during the New Year festival and any other opportunities to the Company's executives and employees.

Training and Communication

The Company provides good communication and potential training for the employees, with respect of the anti-corruption policy and conduct, including the other relevant policy such as business governance, the policy and conduct of intellectual property or copyrights, guidelines for accepting items or benefits, through the Company's information board and email, in order to allow every employees levels realizing of all policy.

Channels for hearing opinions and clues in case of illegal actions:

The Company provides opportunities for employees and stakeholders commented and report clues to illegal actions to lead;

(1) Development / Training

(2) Revise / update on Management

(3) Check the facts as follows

1. Company website : www.aquacorp.co.th
2. Comment box : Human Resources Department
3. Electronic mail : Chief Executive Officer E-mail: arak.r@aquacorp.co.th
4. Electronic mail : Chairman of the Audit Committee or the Audit Committee
E-mail : sutee.p@aquacorp.co.th

The Company has set up a mechanism to protect whistleblowers that oversee the Company's interests, which will not reduce the position, punish or give negative effect to the employee who rejects corruption, although that action will cause the company to lose business opportunities.

Disciplinary action

1. Non-serious violations: Violators will receive a written warning letter which will indicate the nature of the violation, including information relies on the core of that violation by giving the opportunity for the violator to dispute the allegation against the supervisor. If the problem is not resolved, it shall inform the matter to the Disciplinary Committee who appointed by the Chief Executive Officer, to consider and to hold the verdict of the Disciplinary Committee is the end. If there is a second violation or the violator does not correct the offense from the first violation as received the warning letter. Such violators will be subject to strict disciplinary action which may include termination of employment without paying compensation

2. Serious violations, including the following violations, such as giving or receiving bribes, fraud, disclosure of confidential information or the Company's intellectual property to third parties. And any acts that are detrimental to the company's honor or not concealing data reports, discussion or any important documents to the supervisor. : The Company may consider terminating employment without paying compensation and without the need to issue written warning letters.

11. Internal Control and Risk Management

The company emphasizes the importance of establishing internal control system for efficient operation reviewing by the audit committee to be more appropriate and sufficient. The Audit Committee verified and evaluated sufficiency of internal control system and suggested that the Company had adequate system of internal control, covers both financial and managerial aspects to ensure effective and efficient operations and to focus on continuous improvement which the auditor prepared in accordance with the generally accepted accounting principles and no significant defect. The company also applied the questionnaire following the SEC to make sure that internal control system is under controlled. Internal control system that covers all 5 aspects (1) organization and environment (2) risk management (3) management control activities (4) information system and (5) communication, which can be summarized as follows:

1) Organization and Environment

The Company determined objectives and business plan to ensure business stability and developed efficient work process including human resource development on a continuous basis in order to cope with business changes and manage organization structure, by internal audit department as an independent entity reporting directly to the Audit Committee to ensure transparency. The Company determined policy and work plan by considering fair treatment of employees and business partners as well as responsibility towards shareholders, society and environment. In terms of the functional organization chart, the Company clearly divided responsibilities into 3 basic functions of the internal audit system, which are approval, transaction and information recording, and asset tracking and monitoring. Such functions are specified in writing from management to employee levels based on approval and execution authority and operating procedures. In the year 2017, the company has issued the anti-corruption policy and also created the channel to obtain issues from employees and management teams. That could be shown that the company significantly take this matter into consideration.

2) Risk Management

The Board of Directors has assigned the Audit Committee to review the Company's risk management system to ensure that it is appropriate and effective to assess business risk, analyze problem and factors which its arising from both internal and external factors. By prevented or reduced risk to acceptable level. The Company determined policies and work plan to implement risk management seriously also monitor risk management of all sections within the organization. Audit Committee also let one of representative in each department to review problems, observations, suggestions and countermeasures so that may lead to or resolve of risks. These will be included of training in risk management of organization for executives and employees to have more understanding of this subject.

3) Management Control Activities

The company issues practical guide or operating manual for employees in order to be framework based on common system and high efficiency. The mentioned general practice can enhance overall process of each department and reduce unnecessary risk in each process at the same time. The company also considers the way in decentralised structures in order to define scope of responsibility and financial approval limit of each level of the management in writing to be more balanced and still under control, determined responsibilities of each function appropriately according to the principle of decentralization to

achieve efficient operation, and monitors affiliated companies regularly. Moreover, the Audit Committee reviewed and approved annual audit plan. The Audit Committee has internal audit department which is independent to response for monitoring internal control procedures and review critical system at least once a year to cover risky work processes in order to ensure that each section has sufficient supervision in terms of finance, operation, compliance with laws, regulations and rules. In case of any transaction that results in a long-term obligation, the Company required a person responsible for monitoring compliance with conditions and reporting to the Audit Committee periodically to verify appropriateness of the transaction throughout the contract period and to prevent relevant persons from exploiting company's benefits to their own advantages.

4) Information System and Communication

The Company provides important and sufficient information to the board of directors for their consideration together with supporting documents for each agenda by submitting meeting appointment notice and supporting documents to them at least 7 days in advance. The Company secretary acts as a coordinator to submit such information to the board of directors and to record minutes of meeting, questions, comments, and opinions of directors in the board of directors meeting. With regard to the storage of accounting and supporting documents, the Company keeps all items separated by category that is convenient for an audit. Moreover, the Company has developed intranet system and continual Data Systems by providing information system and channel to communicate not only in internal department but also outside company with high efficiency that can be lead to the wording of complete, correct and time. Intranet system that can be linked to external entities in order to allow quick and efficient communication and data transfer between internal and external entities. And using information systems in the planning and management to link the various systems into one system to make more efficiently. Such systems have right to access information that is confidential in all departments. To allow only authorized persons to access personal data

5) Monitoring System

The Company has system to track on going works or projects. Each management take action to compare performance of a process or project and reporting all related progress through the board of committee, which is arranged monthly basis, to make sure that all mission will meet the objective. In 2017, the Company conducted 5 audit committee meetings. The Audit Committee had a duty to report audit results to the board of directors on a quarterly basis. Moreover, in the implementation of work plan, the overall operation was monitored and the financial impact was analyzed continuously. The Company held management meeting to report progress of the aforementioned work plan on a monthly basis. However, if any significant flaw was found, it would be reported to the Audit Committee and/or the board of directors to consider giving an order for implementing corrective action. Moreover, the Company stipulated that the internal audit department had to monitor internal controls on a regular basis to ensure transparency and good corporate governance of the Company.

Risk Policy and Management

The Executive Committee determined policy to assess business risk arising from both internal and external factors and to reduce such risk to an acceptable level. The Audit Committee has monitored, assessed and considered in each process to develop continuously efficient operation that the risk management is appropriate for the business operation and is compliant

with objectives and mission of the organization. The risk management is the responsibility of every person within the organization. The Company provided training for all employees to be responsible for and to understand the risk principle within their scope of work in order to ensure appropriateness of risk management. The Executive Committee has a duty to approve the risk management plan, review and improve the policy so that it is appropriate for the environment of the Company.

1 1.1 The Board of Directors' Comment regarding the internal control system

The Board of Directors' meeting No. 1/2020 on February 28, 2020 by an independent director and audit committee includes 2 members attended the meeting. The Board has assessed the Company's internal control system by questioning information from the management and inspection documents from the management including the assessment of the management and preparation of the report of the Audit Committee. The conclusion after an assessment of the internal control of the company in various five components: (1) Internal organization control (2) risk assessment (3) The operational control (4) Information and Communication system, and (5) Tracking and trace back system.

The Board of Directors concluded that the Company's internal control systems are adequate and appropriate. The Company has provided sufficient personnel to implement the system effectively. The internal control system can monitor the operations of its subsidiaries to protect the Company's assets and its subsidiaries by illegally used or without authority of the directors or executives as well as sufficiently monitor the transactions with persons who may have conflicts of interest and related party. For other internal control subjects, the Board of Directors considered that the Company has sufficient internal control as well.

1 1.2 The opinion of the Audit Committee

As the assessment of the internal control systems above, the Independent Director and Audit Committee do not have any further observations from the Board of Directors. Moreover the auditor of the company, Miss Wanpen Aunruen, CPA No.7750 of the company's Pitisevi Company Limited who is the auditor of quarterly and year ended 2016 expressed the opinion in the auditor report as follows.

"I have audited the accompanying consolidated financial statements of Aqua Corporation Public Company Limited and its subsidiaries and the separate financial statements of Aqua Corporation Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Aqua Corporation Public Company Limited and its subsidiaries and of Aqua Corporation Public Company Limited as at December 31, 2019, and its consolidated and separate financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards."

1 1.3 Head of Internal Audit and supervisors overseeing the company's operation

The Audit Committee's meeting No. 1/2019 on February 28, 2019 has assigned JP Tip Audit Limited to perform the internal auditor of the Company since January 1, 2019 until December 31, 2019. The JP Tip Audit limited has appointed Mr.Napat Kongyarit to be main duty of the internal auditors of the Company.

The Audit Committee has considered the qualifications of JP Tip Audit Limited and Mr.Napat Kongyarit and concluded that there is sufficient and appropriate for such duties. They are independence and experienced in the field of internal audit of the industry in the same as company business for 8 years.

However, the consideration and approval of the appointment, removal, transfer the incumbent head of internal audit of the company must be approved by the Audit Committee.

12. Related transactions

12.1 Related transactions of the Company and its subsidiaries and related companies during the years 2018-2019

Related persons	Relationship	Categories	Consolidated Financial Statements		Separate Financial Statements		Transactions	The appropriateness of the transaction	Maturity
			2019	2018	2019	2018			
Mantra Assets Company Limited	As a subsidiary in which the company held 99.99%	1) Loans	-	-	448,150	419,150	By providing assistance to the company to restructure the financial and property management to guarantee the benefit maximum by the interest rate of AI It 5.24 per year 2019 and 4.35 % - 5.60 % per year in 2018	A higher deposit and loan with collateral.	According to require- ment
		2) Interest income	-	-	22,782	21,971			
		3) Management fee	-	-	2,400	2,400	As billing charges between them.	The investment policy of the Company is required to send a representative to help control and management is therefore nec- essary to allocate the cost of each other.	
		4) Dividend income	-	-	20,000	20,000	Business as usual The investment in the ordinary shares of the subsidiary.	Such items must be based on performance. And all sharehold- ers have equal rights.	
Aqua Ad Public Com- pany Limited (AA)	As a subsidiary in which the company held 99.99%	1) Loans	-	-	-	30	By providing assistance to the com- pany to restructure the financial interest rate by 5.24 per year in 2019 and 3% - 5.60% per year in 2018	A rate higher than deposit rates.	According to require- ment
		2) Interest income	-	-	337	950			
		3) Interest expense	-	-	153	-			
		4) Other receivables	-	-	681	40	As billing charges between them.	The investment policy of the Company is required to send a representative to help control and	
		5) Other creditors.	-	-	-	8			
		6) Management fee	-	-	2,400	2,400			

Related persons	Relationship	Categories	Consolidated Financial Statements		Separate Financial Statements		Transactions	The appropriateness of the transaction	Maturity
			2019	2018	2019	2018			
								management is therefore necessary to allocate the cost of each other.	
		7) Retention	-	-	535	535	Each support normal business is rental and service area total office space 396 sqm. By the month, 178 200 baht and value increase. The other line as real. The price is compared with the market price. By contract and service the 3 years.	Price is the same as another rental included with cost of decoration.	August 1,2018 – July 31,2021
		8) Other Income	-	-	2,138	2,138			
		9) Dividends	-	-	52,576	111,218	Business as usual The investment in the ordinary shares of the subsidiary.	Such items must be based on performance. And all shareholders have equal rights.	
Boardway Media Co., Ltd. (BWM)	As a subsidiary in which the company held 99.99%	1) Loans	-	-	803,500	508,300	By providing assistance to the company to restructure the financial and property management to guarantee the benefit maximum by the interest rate of Al It 5.24 - 6 per year in 2019 and 6 % per year in 2018.	A higher deposit and loan with collateral.	According to requirement
		2) Interest Income	-	-	32,977	27,034			
		3) Other receivables	-	-	829	4	As billing charges between them	The investment policy of the Company is required to send a representative to help control and	
		4) Other creditors	-	-	24	-			
		5) Management fee	-	-	2,900	2,400			

Related persons	Relationship	Categories	Consolidated Financial Statements		Separate Financial Statements		Transactions	The appropriateness of the transaction	Maturity
			2019	2018	2019	2018			
								management is therefore necessary to allocate the cost of each other.	
		6) Retention 7) Other Income	- -	- -	713 2,851	713 2,851	A list of supporting normal business is the rental and service of office space total area of 396 sqm. 237,600 baht per month, accounting and other expenses as they occur. The price is comparable to the market price. The lease and service is scheduled for 1 year.	Price is the same as another rental included with cost of decoration.	January 1,2019 – December, 31,2019 (Renewed when due.)
		8) Dividends	-	-	18,620	-	Business as usual The investment in the ordinary shares of the subsidiary.	Such items must be based on performance. And all shareholders have equal rights.	
Thai Consumer Distribution Center Co.,Ltd (TCDC)	As a subsidiary in which the company held 96.13	1) Lones	-	-	5,500	-	By providing assistance to the company.	A higher deposit and loan with collateral.	According to requirement
		2) Interest received	-	-	145	-	To restructure the financial interest rate		
		3) Interest expense	-	-	1,475	-	5.24 – 5.60 % per year in 2019		
		4) Other receivables	-	-	3	-	As billing charges between them.	The investment policy of the Company is required to send a representative to help control and management is therefore necessary to allocate the cost of each other.	
		5) Other creditors	-	-	1	-			
		6) Management fee	-	-	1,200	1,200			

Related persons	Relationship	Categories	Consolidated Financial Statements		Separate Financial Statements		Transactions	The appropriateness of the transaction	Maturity
			2019	2018	2019	2018			
		6) Retention	-	-	394	394	A list of supporting normal business is the rental and service of office space total area of 164 sqm. 131,200 baht per month, accounting and other expenses as they occur. The price is comparable to the market price. The lease and service is scheduled for 1 year.	Price is the same as another rental included with cost of decoration.	January 1,2019 – December, 31,2019 (Renewed when due.)
		7) Other Income	-	-	1,574	1,574			
		8) Financial services income	-	-	1,678	1,899			
		9) fee for bank guarantee	-	-	358	-			
		10) Dividend received	-	-	3,257	4,885	Business as usual The investment in the ordinary shares of the subsidiary.	Such items must be based on performance. And all shareholders have equal rights.	
S.Thana Media Co., Ltd. (STN)	As a subsidiary of indirect shareholders through Boardway Media Co., Ltd. (BWM)	1) Other receivables	-	-	182	-	As billing charges between them	The investment policy of the Company is required to send a representative to help control and management is therefore necessary to allocate the cost of each other.	
		2) Retention	-	-	240	-	A list of supporting normal business is the rental and service of office space total area of 100 sqm. 80,000 baht per month, accounting and other expenses as they occur. The price is comparable to the market price. The lease and service is scheduled for 1 year.	Price is the same as another rental included with cost of decoration.	January 1,2019 – December, 31,2019 (Renewed when due.)
		3) Other Income	-	-	400	-			

Related transactions of associated companies

Related persons	Relationship	Categories	Consolidated Financial Statements		Separate Financial Statements		Transactions	The appropriateness of the transaction	Maturity
			2019	2018	2019	2018			
EASTERN PRINT- ING PUBLIC COM- PANY LIMITED (EPCO)	Joint venture companies (Shares held by the com- pany, 40.08 % propor- tion.)	1) Dividend received	-	-	36,938	42,228	A normal business transactions, which is a long-term investment in the ordinary shares of EPCO	Price is the same as another person.	
SPRINGNEWS COR- PORATION	Related company, by a com- mittee together.	1) Accounts Receivable	-	4,478		-	A significant transactions and bal- ances that occurred between the prizes for prizes of the company and Related Companies		
		2) Revenue from advertising, LED	16,016	27,083		-			
		3) Other creditors	-	3,724		-			
		4) Sales Support	14,896	18,620		-			

12.2 Measures or procedure to Approve Related Transactions

To protect investors in case of the company's carrying out of related transactions with the person possibly causing conflict of interest in the future, the company will have the transaction types, prices and conditions of each party arranged clearly for the account auditor to check and disclose them in the Notes to Financial Statements. In regard to the normal related transaction, i.e., arising earlier and related to the company's main business, and /or the transactions that might cause conflict of interest, the Audit Committee shall check the justification and reasonability of the transactions and report its opinions to the meeting of the Board of Directors.

In case of the company's committing any unordinary business transaction or the transaction not in relation to the company's main business and possibly causing the conflict of interest, the company will ask the Audit Committee to make preliminary check prior to issuing the approval. The company shall arrange for the meeting of the Board of Directors attended by the Audit Committee to take the related transaction into consideration for fair practice and at proper pricing policy, in which the Directors with interest in that related transaction shall not have the voting right onto such transaction. Should the Audit Committee do not have skills in considering any related transaction, the company will ask an independent expert or its account auditor to give opinions on the issue and submit the resultant report to the Board of Directors or shareholders as deemed appropriate.

Policies and Trends of the Related Transactions in the Future

The company is adopting the earlier mentioned policy of the related transactions and shall abide by it in the future. As for a related transaction for normal business practices, the company will stipulate the price and conditions clearly and comparable to those of other firms and the company shall ask for the Audit Committee to take the matter into consideration and give opinions in regard to the properness of prices and reasonable actions of the transaction.

The related transactions to arise in the future shall conform to the laws on Securities and Securities Exchange of Thailand and the regulations, announcements, orders, or requirements of the Securities Exchange of Thailand including the regulation on the disclosure of the related transaction and the company or subsidiary's acquisition or disposal of important assets and in accordance with the accounting standard stipulated by the Accountant Association.

13. Management Discussion and Analysis

Overview

Aqua Corporation Public Company Limited Group has the information of business operation and operating results as follows.

Unit : Million Baht	Year 2019	Year 2018	Change (%)
1. Profit from operations of businesses under subsidiaries	255.74	263.39	-2.90%
1.1 Advertising media business	83.79	76.61	9.37%
1.2 Real estate for rent and services	177.22	184.71	-4.06%
1.3 Others	(5.27)	2.07	>100.00%
2. Share of profits from associates in proportion to the Company's shareholding	261.21	136.05	92.00%
3. Non-recurring items	50.85	(1.42)	>100.00%
3.1 Profit from sale of investment in EPCO	14.83	-	100.00%
3.2 Gain from changes in fair value net from income tax	62.89	12.01	>100.00%
3.3 Write-off the fair value of assets at the acquisition date	(13.43)	(13.43)	-
3.4 Adjustment-income tax	(10.31)	-	100.00%
3.5 Improving employee benefits according to the TAS 19	(3.13)	-	100.00%
Net profit from consolidated financial statements	567.80	398.02	42.66%

Investment in subsidiaries and associates

Companies	Shareholding	Business	Investment Status
1. Aqua Ad PLC. (AA)	99.99%	Media	Subsidiary
2. Boardway Media Co., Ltd. (BWM)	99.99%	Media	Subsidiary
3. M.I.S. Media Co., Ltd. (MIS)	99.99%	Media	Subsidiary of AA
4. Mantra Asset Co., Ltd. (MANTRA)	99.99%	Real estate	Subsidiary
5. Thai Consumer Distribution Center Co., Ltd. (TCDC)	96.13%	Warehouse	Subsidiary
6. Accomplish Way Holdings Co., Ltd. (AWH)	99.99%	Warehouse	Subsidiary of TCDC
7. Eastern Printing PLC. (EPCO)	40.08%	Printing and Packaging Renewable Energy	Associate

Aqua Ad PLC. (“AA”) / Broadway Media Co., Ltd. (“BWM”) and Subsidiaries

All 4 Companies engaged in outdoor advertising business (Out of Home Media) both in the form of static outdoor and LED Digital signage. As of December 31, 2019, there were 472 billboard for advertising in Bangkok and vicinity of 63% and Region of 37% classified by type as follows.

Type (Unit: Banner)	Divided by region			Divided by Company		
	Bangkok and its vicinity	Provincial	Total	AA & MIS	BWM & STN	Total
Static	213	146	359	238	121	359
LED	86	27	113	12	101	113
Total	299	173	472	250	222	472
Proportion	63%	37%	100%	53%	47%	100%

Number of billboards at the end of the year

Type (Unit: Banner)	2019	2018	2017
Static	359	287	305
LED	113	79	42
Total	472	366	347

Revenue and operating results of the advertising media business

Million Baht	2019	2018	Change	% Growth
Income from business operations:	808.56	695.61	112.95	16.27%
● <i>Static</i>	<i>384.49</i>	<i>358.50</i>	<i>23.24</i>	<i>6.43%</i>
● <i>LED</i>	<i>403.05</i>	<i>311.58</i>	<i>91.47</i>	<i>29.36%</i>
● <i>Others (sales + projects)</i>	<i>21.02</i>	<i>22.78</i>	<i>-1.76</i>	<i>-7.73%</i>
Net Profit	68.38	63.18	5.50	8.71%
Utilization rate – Static	51.53%	54.68%	-3.15%	-5.76%
Utilization rate – LED	69.05%	70.33%	-1.28%	-1.82%

Revenue from advertising media business increased by 112.95 million baht or 16.27% compared to 2018 and 9.37% increase in net profit from investment in LED digital signage nationwide.

Thai Consumer Distribution Center Co., Ltd. (“TCDC”) and Accomplish Way Holdings Co., Ltd. (AWH)

Both companies are engaged in warehousing business which currently, there are 122,747 sqm of rental space. The area of 108,902 sqm is leased to the Unilever Group under the 10-year lease agreement and the area of 9,320 sqm. and leased to a major customer, Agility under the lease term as agreed with such customer, extension for every 3 years, and one of the AWH's warehouse is seeking for a new lessee for the area of 4,525 sq.m.

Mantra Asset Co., Ltd. (“MAN”)

MAN operates real estate for rent and service business by purchase land in Chiang Mai for construction of resort for eco-tourism and rural tourism and agriculture with total investment in this project of Baht 470 million for The Cabin Chiang Mai Co., Ltd. rent all property of the project after construction complete to run health recovery business (Retreatment Center) for a period of 10 years and can renew the lease for another 10 years with the living area of 11,093 sqm on land 34-1-62.6 rai. From October 1, 2017, construction has been completed and 100% operational.

Main revenue in the income statement of "TCDC", "AWH" and "MAN" consisted of

1. Rental income from lease and service agreements signed with the customer.
2. Gain on change in fair value that the Company has chosen the fair valuation of the warehouse by income approach which is calculation of the present value of income is cash flow (Discounted Cash Flow or DCF) and record the difference in gain from change in fair value. The change in fair value of the 3 companies will occur as follows:

2.1 When the construction is complete, the Company will evaluate the fair value to change from cost price to fair value.

2.2 Annual Fair Valuation to find the fair value change compared to the last year.

Million Baht	2019	2018	Change
Revenue	337.60	354.85	-17.25
Gain (loss) on change in fair value *	78.62	15.02	63.60
Net profit	240.11	196.72	43.39
Net profit excluding gain on change in fair value (Net of tax expense)	177.21	184.71	-7.50

Eastern Printing PLC (“EPCO”)

EPCO’s core businesses are print publisher and operates a comprehensive printing business by providing services ranging from production planning until binding finished publication. In late 2011, EPCO expanded its investment in renewable energy by invested in solar power plant. Summary of EPCO’s currently power plant projects as follows.

Project	Capacity (MW)	Commercial Power Distribution (COD)
1. (Co-Generation Combined Power Plant)	360	Year 2016
1. Solar power plants in Thailand	20	Year 2012 – 2017
2. Solar Roof	1.50	Year 2014 - 2015
3. Solar Roof	4.86	Year 2016 – 2019
4. Solar Roof	5.66	Quarter 3/2020
6. Solar power plant In Japan	45.96	Year 2016 – 2019
Total	437.98	

In 2019, the proportion of revenue from EPCO's electricity sales is over 50% of total revenue, and in the future, the proportion of income from energy will be increased according to additional investment in various projects.

Revenue (Unit: Million Baht)	2019	2018	Change
From energy	952.22	559.38	392.84
From the Printing	412.88	427.89	-15.01
From the Packaging	165.17	-	165.17

At the end of the year 2019, Aqua holds 369 million shares in EPCO, representing 40.08%, representing an average cost of 2.11 baht per share, with a cost of 778 Million Baht. The closing price of EPCO is $369 \times 3.66 = 1,350.54$ Million Baht.

Summary of income and profit from business

The subsidiaries and associates have full income and share of income calculated from the shareholding of AQUA as follows.

Million Baht	2019		2018		Change	
Income	Full income	Share of income	Full income	Share of income	Full income	Share of income
AA – Advertising media	345.52	345.49	347.06	347.02	-1.53	-1.53
BWM – Advertising media	463.04	463.99	348.56	331.13	114.48	131.86
TCDC – Warehouse	271.04	260.55	289.40	278.20	-18.36	-17.65
MA – Investment Property	66.56	66.55	65.44	65.43	1.12	1.12
EPCO – Electricity	932.08	373.58	559.38	222.02	372.70	151.56
EPCO – Printing	598.19	239.75	427.89	169.83	170.30	69.93
Total revenue	2,676.43	1,748.92	2,037.73	1,413.64	638.70	335.28

From the above share of income table, it was found that in 2019, total revenue from all 5 businesses increased by 23.72 % from 2018 with the main reason from.

(1) Advertising media business has revenue service increased by 112.95 million baht or 16.2% compared to 2018.

The details of increment are as follows:

Categories Million Baht	2019	2018	เพิ่มขึ้น (ลดลง)	%
STATIC	384.49	361.25	23.24	6.43%
LED	403.05	311.58	91.47	29.36%
PROJECT	21.02	22.78	-1.76	-7.73%
Total	808.56	695.61	112.95	16.27%

(2) The revenues from warehouse for rental and service increased by 18.36 million baht or 6.34% compared to 2018 due to one of the AWH's warehouse is seeking a new lessee (a area of 4,525 sq.m.)

(3) MANTRA's investment property business has revenue increased by 1.12 million baht according to lease and service agreements

(4) Printing and renewable energy business has revenue increased by 543 million baht or 55% compared to 2018 ((Details can be considered from the EPCO clarification letter).

Full net profit and share of profit calculated from the shareholding of AQUA as follows.

Million Baht	2019		2018		Change	
	Full profit	Share of profit	Net profit	Full profit	Share of profit	Net profit
AA – Advertising media	65.04	65.03	62.76	62.75	2.28	2.28
BWM – Advertising media	18.75	18.75	13.85	13.16	4.90	5.59
TCDC – Warehouse	151.02	145.18	156.72	150.65	-5.70	-5.48
MA – Investment Property	26.2	26.20	27.99	27.99	-1.79	-1.79
EPCO	651.72	261.21	342.77	136.05	308.95	125.16
Total net profit	912.73	516.36	604.09	390.60	308.64	125.77

Profit allocation from 5 business increased 32.20% from 2018, mainly increased by 10.37% from media business, whereas the warehouse and property for investment decreased by 4.0%, and the share of profit from associated companies increased 92.00%

Financial highlights of AQUA

Summarized statement of financial position

Summarized statement of financial position (Million Baht)	Dec 31, 2019	Dec 31, 2018	Changed
Cash and cash equivalents	158.09	43.89	114.20
Trade and other receivables-net	332.29	337.65	(5.36)
Investment in associates	1,276.55	984.66	291.89
Other long-term investments	29.90	29.90	-
Investment property	3,934.06	3,856.04	78.02
Property, plant and equipment-net	1,230.42	1,156.46	73.96
Goodwill	738.83	385.92	352.91
Other current and non-current assets	88.18	67.10	21.08
Total assets	7,788.31	6,861.63	926.69
Overdrafts / short-term loans	40.61	126.27	(85.66)
Trade and other payables	94.65	88.67	5.98
Loans from financial institutions	1,922.01	1,693.02	228.99
Debenture	477.67	289.46	188.21
Deferred tax liabilities and employee benefits	446.03	401.54	44.49
Other non-current liabilities	219.04	203.73	15.31

Summarized statement of financial position (Million Baht)	Dec 31, 2019	Dec 31, 2018	Changed
Total assets	3,200.00	2,802.69	397.31
Paid-up capital	2,296.50	2,296.50	-
Treasury shares	-	(66.38)	66.38
Share premium	312.84	312.84	-
Other elements	70.91	42.78	28.13
Legal reserve	50.34	43.08	7.26
Retained earnings	1,790.09	1,360.43	429.66
Non-controlling interests	67.63	69.69	(2.06)
Total assets	4,588.31	4,058.94	529.38

Summary of cash flow statements for year ended 31 December

Million Baht	2019	2018
Net cash received from (used in) operating activities	413.50	304.97
Net cash received from (used in) investment activities	(554.48)	(348.63)
Net cash received from (used in) financing activities	255.19	(179.01)
Cash received from business combination	114.21	(222.66)

In 2019, the Company used funds from operating 413.50 million baht, from loans 1,284.08 million baht, from dividend received 36.94 million baht, and from others 60.61 million baht, total cash flow is 1,795.13 million baht to invest in subsidiaries / associates 419.73 million baht, expand the business of subsidiaries 194.06 million baht, repay loans 974.22 million baht, and pay dividend 92.94 million baht included as money used in various activities total of 1,680.95 million baht. In 2019, the group of the Company has received cash more than paid cash in the amount of 114.18 baht million.

Summarized consolidated statement of income

Million Baht	Consolidated financial statements			Separate financial statements		
	2019	2018	Changed (%)	2562	2561	Changed (%)
Sales and services income	1,146.16	1,050.45	95.70	0.30	-	0.30
Gain from sale of investment	14.83	-	14.83	14.83	-	14.83
Dividend received	-	-	-	131.39	178.33	(46.94)
Gain from changes in fair value	78.62	15.01	63.61	-	-	-
Interest income	3.30	4.97	(1.67)	56.83	53.25	3.58
Other income	23.40	17.43	5.98	17.96	18.08	(0.12)
Total income	1,266.31	1,087.86	178.45	221.31	249.66	(28.35)
Cost of sales and services	(537.03)	(483.68)	(53.35)	(0.07)	-	0.07

Million Baht	Consolidated financial statements			Separate financial statements		
	2019	2018	Changed (%)	2562	2561	Changed (%)
Selling expenses	(57.07)	(41.40)	(15.67)	(0.01)	-	0.01
Administrative expenses	(189.78)	(161.70)	(28.08)	(49.91)	(44.75)	5.16
Share of profits from investments in associates	261.21	136.05	125.16	-	-	-
Financial cost	(101.00)	(92.93)	(8.07)	(47.55)	(35.14)	12.41
Income tax income (expense)	(74.84)	(46.18)	(28.66)	(1.39)	1.27	2.66
Net profit	567.80	398.02	169.78	122.38	171.04	(48.66)
Attributable to the non-controlling interests.	8.21	7.14	1.07	-	-	-
Net profit of AQUA	559.59	390.88	168.71	122.38	171.04	(48.66)

The Company classified the net profit for the year ended 31 December 2019 and 2018 according to the operations of each year as follows:

Million Baht	2019	2018	Changed (%)
1. Profit from operations of businesses under subsidiaries	255.74	263.39	-2.90%
2. Share of profits from associates in proportion to the Company's shareholding	261.21	136.05	92.00%
3. Non-recurring items	50.85	(1.42)	>100.00%
Net profit from consolidated financial statements	567.80	398.02	42.66%

From the table, it was found that in 2019, the AQUA group has profits increased from the year 2018 or 42.66% as follows.

- (1) from the operation of the Company and the subsidiaries decreased by 10.78 baht million or 4.09%
- (2) Participating profit from the associates increased by 125.16 Million Baht, equivalent to 92%,
- (3) Profit from special project increased 55.41 baht million or more than 100%.

Operating Results

■ Revenue

In the year 2019, the Company and its subsidiaries' main income was divided into 3 types such as (1) income from rental of advertising space, supply space, contract manufacturing and install various types of advertising (2) income from real estate rental and services (3) income from share of profit from associates with information as follows.

Revenue type	2019		2018	
	Million Baht	%	Million Baht	%
1. Revenue from advertising media business:				
1.1 Income – STATIC	384.49	25.17	361.25	29.52
1.2 Income – LED	403.05	26.39	311.57	25.46
1.3 Other income	21.01	1.38	22.78	1.86
Total	808.55	52.93	695.60	56.83
2. Revenue from warehouse business:				
2.1 Rental and service income	271.04	17.74	289.40	23.65
2.2 Gain from changes in fair value in real estate	76.31	5.00	15.50	1.27
Total	347.35	22.74	304.90	24.91
3. Revenue from real estate for rent and services:				
3.1 Rental and service income	66.56	4.36	65.44	5.35
3.2 Loss from changes in fair value in real estate	2.31	0.15	(0.49)	(0.04)
Total	68.87	4.51	64.95	5.31
4. Share of profits from associates: EPCO	261.21	17.10	136.05	11.12
Total	261.21	17.10	136.05	11.12
5. Other income:				
5.1 Bad debt recovery	0.53	0.03	3.74	0.31
5.2 Gain on sales of investments	14.83	0.97	-	-
5.3 Interest income	3.30	0.22	4.97	0.41
5.4 Others	22.88	1.50	13.70	1.12
Total	41.54	2.72	22.41	1.83
Total revenue	1,527.52	100.00	1,223.91	100.00

In the years 2019 consolidated 1,527.52 million baht, increased 303.61 million baht, or 24.81 % from 2018 as follows.

- Revenue of the business, advertising increased 112.95 million baht. 16.24 % compared with 2018 by investing in digital signage, LED, nationwide coverage, including utilization management (Utilization Rate) increases.

In the year 2019, sales of advertising media in LED digital signage can be sold for a full year, including investment in S. Thana Media Co., Ltd. has started to recognize income from August 2019 onwards.

In Form 56-1, Part 1, Clause 2.2, the Company disclosed about overview of the advertising industry in 2018 decreased by 1.38 % from the year 2018. The summary of media usage for the year 2018-2019 and related media as follows.

Type	2019 (Million baht)	%	2018 (Million baht)	%	Change value (Million baht)	% Growth
Out of Home Media	6,927	6.56	6,833	6.47	94	1.38

In 2019, the revenue of the advertising media of AQUA group is 809 Million Baht, representing the market share of 11.68 % of the total revenue of the type of billboard media (2018, representing 10.19 % market share of total revenue)

- Revenue from rental and service of real estate (Warehouse business And the Health Rehabilitation Center), amounting to 416.22 Million Baht, a increase of 46.37 Million Baht or 12.54 because (1) warehouse for rent and services's revenue has decreased by 18.36 Million Baht, equivalent to 6.34%, from 2018 since one of AWH's warehouses was securing new tenant (lease area of 4,525 square meter). The investment property (the Health Rehabilitation Center)'s revenue has increased by 1.12 Million Baht according to the rental and services agreements(2) the Company must measure the fair value of every warehouse at the end of the accounting period and record the changes into profit and loss. In the year 2019, gain from the change in fair value has increased by 78.62 Million Baht. For the year 2018, the fair value of the investment property has increased by 15.02 Million Baht.
- Share of income from associates was Baht 261.21 million, increased of Baht 125.16 million or 92 % from 2019 because EPCO's net profit increased by Baht 493.04 million (Details can be obtained from the information of EPCO).
- Income from the sale of investments increased 14.83 million baht. Distribution of warrants EPCO-W3 Company has received from the allocation of free of charge from the book purchase shares allocated to existing shareholders.
- Interest income was Baht 3.30 million, decreased of Baht 1.67 million or 33.60 % from 2018 because the Company's cash balance decreased from the acquisition and also provides financial assistance to its subsidiaries to invest in various projects.
- Other income in addition to the above items of Baht 23.41 million increased by Baht 5.97 million or 34.23 % from 2018

■ Cost of sales and services

In 2019, the Company had cost of sales and services of Bath 537.03 million, an increase of Baht 53.34 million or 11.03 % from 2018, according to increased revenue. Which can be classified by business as follows:-

% Cost of sales and services of business	2019	2018
Advertising media	64.17%	67.00%
Real estate for rent and service	7.74%	7.21%
Average	46.85%	46.05%

According to the above table, it can be seen that the% cost-to-income in the year 2019% of the cost-to-income has increased slightly. The main reason is due to the real estate, rental and services As 1 warehouse of AWH is in the process of procuring new tenants (4,525 square meters leased area)

■ Selling expense

Years 2019 company cost of sales 57.07 million baht increased 15.67 million baht, the increasing 37.85% from year 2018 expense in proportion to the sales revenue in the year 2019, representing 7.12% of the sales compensation at the higher rate, to boost sales.

■ Administrative expense

Year 2019 company has administrative cost at 189.78 million baht or increased 28.08 million baht or 17.37% from years 2018 main cause

- 1) From the costs of increased employee 12.15 million baht.
- 2) In 2019, investment is made in STN and such investment commenced to be recognized in the company's financial statements from 1 August 2019. Administrative expenses increased by 3.74 million baht.
- 3) Adjusted 10.31 million baht of income tax specifically for the year 2019.
- 4) In 2019, MANTRA set 3.46 million baht in allowance for doubtful debt.
- 5) Other decreased 1.58 million baht.

■ Financial cost

Year 2019, the Company had financial costs of Baht 101million, a increase of Baht 8.07 million or 8.68 % from 2018, It is dued to the interest rate for loans sourced for the capital used in entity acquisition and investment for the Group's business expansion. The capital has been raised by loans granted by financial institutions, issuance and offering of long-term debentures.

■ Income tax expense

Million Baht	2019	2018	Change
Corporate Income Tax	39.75	29.10	10.65
Income tax income (expense) as Thai Accounting Standard No. 12	35.09	17.08	18.01
Total	74.84	46.18	28.66

In the year 2019, the income tax expense was Baht 74.84 million, decreased from the same period of the last year which income tax expenses was Baht 46.18 million, increased by Baht 28.66 million with mainly reason from.

- Corporate income tax increased by Baht 10.65 million due to increased of profi of AA. and the investment made in STN, which the profit has been recognized in the company's financial statements from 1 August 2019.
- Income tax expense as Thai Accounting Standard No. 12 increased by Baht 18.01 million with mainly reason from gain on fair value changes in investment property increased from 2018.

■ Net profit

Year 2019, the Company had a net profit for the year of Baht 567.80 million, mainly from the recognition of profit from TCDC of Baht 162.57 million, AA of Baht 59.03 million, BWM of Baht 11.38 million and MA of Baht 28.05 million and realized share of profit from associated companies 261.21 million baht, with is a part of the Company of Baht 559.59 million and is a part of interest that has no control of Baht 8.21 million.

Financial status

1. Assets

The end of year 2019, the Company had total assets of Baht 7,788.31 million, increase by Baht 926.68 Baht or 13.51 % compared to 2018, consisting of current assets of Baht 487.75 million, increase of 23.61 %, non-current assets increased by Baht 833.53 million, or 12.89 % , with changes in the Company's assets. The details are as follows:

1.1 Cash and cash equivalents

The end of the year 2019, the company had cash and cash equivalents a number of 158.09 million, a increase of 114.20 million baht. The group company have cash flow from operations 413.50 million baht from the loan 1,284.08 million baht. Dividends received from associates 36.94 million and 60.61 million baht. Total total of 1,795.13 million and money spent on investment in the ordinary shares of the subsidiary/joint 419.73 million baht. Expansion of the subsidiary, 194.06 million baht. 974.22 billion baht for loan repayment and dividend 92.94 million baht. Total cash spent in various activities, the total of 1,680.95 million baht. , For the year 2019, the Group had cash received exceed cash paid at 114.18 million baht.

1.2 Trade and other receivables - net

The end of the year 2019, the Company had trade and other receivables - net of Baht 308.29 million, increased by Baht 29.36 million from 2018. Trade receivables - net consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	31 Dec 2019	31 Dec2018
<u>Trade receivables</u>		
Other companies	191,585	190,860
<u>Less</u> Allowance for doubtful accounts	-	4,478
Notes receivable – other company	24,000	10,000
Total trade account receivable	215,585	205,338
<u>Less</u> Non – current account receivable	(24,000)	-
Allowance for doubtful accounts	(5,747)	-
Trade receivables - net	185,838	205,338
<u>Other current receivable</u>		
Prepaid rental	96,374	110,498
Prepaid expenses	9,355	13,264
Advance payment	1,981	3,436
Deposit	92	485
Accrued interest receivable	1,001	82
Assets receivable – other company	9,899	-
Others	3,746	4,547
Total other receivables	122,448	132,312
Less Allowance for doubtful accounts - Advance	308,286	337,650

Quality of the Company's debtors

	Unit: Thousand Baht			
	Consolidated financial statements			
	31 Dec 2019	%	31 Dec 2018	%
Trade receivables not yet due	136,849	71.43	186,199	90.68
Overdue receivables:				
Under or equal to 3 months	27,741	14.48	8,584	4.18
Over 3 months to 6 months	10,976	5.73	4,395	2.14
Over 6 months to 12 months	4,851	2.53	6,160	3.00
Over 12 months	11,168	5.83	-	-
Total	191,585	100.00	205,338	100.00
<u>Less</u> Allowance for doubtful account	(5,747)	(3.00)	-	-
Net	185,838	97.00	205,338	100.00

As of December 31 2019, the company has decreased the number of debtors trade increase the number of 19.50 million baht, or 9.50 % from years 2018, caused by the advertising media business that has decreased in sales during the 4th quarter of 2019. Real estate for rent in Chiang Mai has a problem from the cash flow of the debtors, resulting in this receivable increased by 40.97 million baht and allowance for doubtful accounts at 3.46 million baht. As for warehouses for rent and service business, collections are made within a month of service, so there are no receivables in this section.

From the table will see that trade receivables not yet due decreased by Baht 49.35 million. Overdue receivables 1-3 months increased by Baht 19.16 million and overdue receivables over 4 months increased by Baht 6.58 million. Overdue receivables over 7 months increased by Baht 9.86 million, The company increased the allowance for doubtful debt by Baht 5.75 million, compare to the amount set in the year 2018.

As of 31 December 2019, for the subsidiary's trade receivables with overdue receivables exceed 7 months amounting to 13.63 million baht, the debtor has entered into an agreement to completely repay the debt by December 2020. The management of the subsidiary believed the said debtor has the ability to comply with the conditions stipulated in the agreement; therefore the allowance for doubtful debt has not yet been set.

The policy of allowance for doubtful accounts as follows:

- Trade receivables are not yet due Allowance for doubtful -
- Overdue receivables 1 month to 6 months Allowance for doubtful -
- Overdue receivables 7 months to 12 months Allowance for doubtful 50.00% of each debtor
- Accounts receivable over 12 months Allowance for doubtful 100.00% of each debtor

1.3 Receivables under hire purchase agreement / financial lease and loans

The end of year 2019, the Company's receivables under hire purchase agreement / financial lease and loans had no net worth remaining because the Company stopped lending hire-purchase loans since 2007 and the remaining debtors have

little movement including it also requires intensive process through litigation and enforcement. The total hire purchase receivables of the Company were recorded provision for doubtful accounts by the full amount.

Hire purchase receivables and financial lease receivables, net are as follows:

	Unit: Thousand Baht	
	Consolidated and separate financial statements	
	Year 2019	Year 2018
Hire purchase receivables and financial lease receivables		
Financial lease receivables	2,979	2,979
<u>Less</u> interest income which has not yet been considered as income	(223)	(223)
Total	2,756	2,756
<u>Less</u> Allowance for doubtful accounts	(2,756)	(2,756)
Net	-	-

The Company has written off for bad debts on receivables under hire purchase agreement / financial lease almost all by the write-off is in accordance with the relevant laws. If the debtor wishes to make payments to the Company, it will receive the money and record it as a bad debt recovery.

1.4 Other current assets

The end of year 2019, the Company had other current assets of Baht 21.37 million, decreased by Baht 8.31 million from 2018.

1.5 Deposits at financial institutions pledged as collateral

The end of year 2019 and 2018, the Company had deposits at financial institutions with a guarantee of Baht 9.10 million

1.6 Investments in associates

The end of year 2019, the Company had investments in associated Companies of Baht 1,276.55 million, increase of Baht 291.89 million from 2018, because in the year 2019 the Company invested in an associated Company in the amount of Baht 10.69 million and recognized share of profits from investments in associated Companies under the equity method in the amount of Baht 261.21 million less dividends received of 36.93 million baht, remaining 224.28 million baht and share of other completed profits (the differences from the translation of financial statements in foreign entities) in the amount of 56.92 million baht.

1.7 Investment property

The end of year 2019, the company has a real estate investment of 3,934.06 million baht, increased of 78.02 million baht. from the year 2018, because the company will be required the fair value of all items at the end of each accounting period and save changes into profit and loss. In the year 2019 the fair value of the real estate investment increased by 78.62 million baht and decreased from asset write-off in the amount of 0.60 million baht.

1.8 Property, plant and equipment – net

The end of year 2019, the company has landed. Property, plant and equipment, net amount of baht 1,230.42 million increased number of Baht 73.96 million from the year 2018, which came from investments to expand the network of signage network LED in BWM of Baht 160.43 million AA number 37.52 million baht., from the investment in STN in the amount of 16.46 baht million, and recording depreciation of assets at 140.45 million baht.

1.9 Other non-current assets

The end of year 2019, the Company had other non-current assets of Baht 57.71 million, increased by Baht 12.78 million from 2018.

2. Liabilities

The end of year 2019, the Company had total liabilities of Baht 3,200 million, increased by Baht 397.31 million or 14.18 % from 2018, consisted of current liabilities of Baht 709.65 million, decreased by Baht 203.34 million or 22.27 %, and non-current liabilities of Baht 2,490.35 million, increased of Baht 600.65 million or 31.79 %. The change in the Company's liabilities as follows:

2.1 Overdrafts and short-term loans from financial institutions

The end of year 2019, the Company had bank overdrafts and short-term loans from financial institutions amounting to 40.61 baht to be used as working capital of the Company and its subsidiaries.

2.2 Trade and other payables

The end of year 2019, the Company had trade and other payables of Baht 94.65 million, increased by Baht 5.98 million from 2018, increase from the subsidiary's investment in STN in which there are trade and other payables in the amount of Baht 5.44 million. The rest is increasing and decreasing according to business operations.

2.3 Liabilities under finance lease and hire purchase agreements

The end of year 2019, the Company had liabilities under finance lease and hire purchase agreements of Baht 96.09 million, increased by Baht 93.68 million from 2018. It due to the subsidiary's entering into asset sale and lease back agreements.

2.4 Long-term loans and debenture

The end of year 2019, the company and subsidiaries long-term loans from financial institutions and issuance amount 2,303.60 million baht, increased amount 325.54 million baht from year 2018. The increment was due to the loans from financial institutions and the issuance of debentures under the company amounting to 1,122.40 million baht to be used in the entity acquisition and the investment for the expansion of LED digital signage area for advertising media service. The decrease was due to the repayment of loans to the financial institutions according to the due installment of the company and subsidiary amounting to 448.20 million baht and the redemption of matured debenture amounting to 348.20 million baht.

2.5 Accrued income tax

The end of year 2019, the Company had accrued income tax of Baht 14.46 million, increased by Baht 6.27 million from 2018.

2.6 Other current liabilities

The end of year 2019, the Company had other current liabilities of Baht 17.52 million, increased by Baht 2.68 million from 2018. It was a result of the withholding tax and value-added tax submitted to the Revenue Department in 2019.

2.7 Employee benefits obligation

The end of year 2019, the Company had employee benefit obligations of Baht 26.22 million, increased by Baht 10.76 million from 2018. It was a result of the adjustment of post-employment benefits according to the Labour Protection Act (No. 7) B.E. 2562.

2.8 Deferred income tax liabilities

The end of year 2019, the Company presented deferred income tax liabilities of Baht 419.81 million, increased by Baht 33.73 million from 2018, mainly from increased fair value of real estate for rent and services according to Thai Accounting Standard No. 12.

2.9 Other non-current liabilities

The end of year 2019, the Company had other non-current liabilities amounting to Baht 187.05 million, increase of Baht 6.35 million from 2018 because TCDC recognized revenue from unearned revenue under long-term service agreement in the amount of Baht 6.55 million. and STN recognized Baht 11.58 million of provision for the demolition of signage structure in the company's financial statements.

3. Shareholders' Equity

The end of year 2019, the Company had shareholders' equity of Baht 4,588.31 million, increased by Baht 529.37 million or 13.04 % from the end of 2018, consisted of equity of the Company of Baht 4,520.68 million and non-controlling interest of Baht 67.63 million.

From the overview above, the shareholders' equity as follows:

3.1 Registered and paid-up capital

The end of year 2019, the company had Baht 2,985.45 million of registered share capital with Baht 2,296.50 million of paid up registered share capital. The company is in the process of requesting for the approval from the 2020 Annual General Meeting to decrease the registered share capital by the amount of Baht 688.95 million from the registered share capital of Baht 2,985.45 million so the new registered share capital will be amounting to Baht 2,296.50 million, which is the same amount as the company's paid up registered share capital.

3.2 Treasury Stocks

The end of year 2019, the company sold 86.04 million shares of treasury stocks with the cost value of Baht 66.39 million at the total selling price of Baht 38.28 million. The sale has been made through the Stock Exchange of Thailand. The selling price of the treasury stock was the share's market price on the selling date. The company recorded the difference of the selling price that was lower than the buying price of the treasury stock at approximately Baht 28.10 million under "unappropriated retained earnings" in the shareholders' equity.

3.3 Share premium

The end of year 2019 and 2018, the Company had a share premium of Baht 312.84 million from the issuance of new ordinary shares and offered for sale at a price higher than the par value.

3.4 Retained earnings

The end of year 2019, the Company had retained earnings of Baht 1,840.43 million, representing a Legal reserve of Baht 50.34 million, and unappropriated retained earnings of Baht 1,790.09 million.

3.5 Other components of shareholders' equity

The end of year 2019, company is another element of the equity of 70.91 % increased 28.13 million baht from at the end of 2018 as arising from impairment of shares the company Broadway Media Co., Ltd. (BWM) to increase the proportion of shareholding from 95% is 100% on 22 June 2019 which makes company Company to recognize the value of surplus from changes in equity in the subsidiary of 28.79 million. And the other company profits in integrated joint increased, amount 56.92 million baht.

3.6 Non-controlling interests

The end of year 2019, the company non-controlling interests amount 67.63 million baht reduced number of 2.06 million baht from the year 2018 because the acquisition of an additional 5 percent from BWM original is 95 % of the 100 % registered and paid.

4. Liquidity

4.1 Statement of Cash Flows - Consolidated Financial Statements

Million Baht	2019	2018
Cash flow from operating activities	413.50	304.97
Cash flow from investing activities	(554.48)	(348.63)
Cash flow from financing activities	255.19	(179.01)
Net cash and cash equivalent increase (decrease)	114.21	(222.67)

In 2019, Group Company had cash flow from operations 413.50 million baht from the loan 1,284.08 million baht and received dividends from associates 36.94 million and others 60.61 4 million baht. Total received 1,795.13 million baht and spent on investment in the ordinary shares of the subsidiary/joint 419.73 million baht. Expansion of the subsidiary 194.06 million baht, 974.22 million baht for loan repayment and dividend 92.94 million baht. Total cash spent in various activities, the total of 1,680.95 million baht. , As a result, cash and cash equivalents decreased by approximately 225 million baht. . For the year 2019, the Group had cash received exceed cash paid amounting to 114.18 million baht.

4.2 Key financial ratios

Financial Ratios Summary Table

Key financial ratios	2019	2018
<u>Liquidity Ratio</u>		
Liquidity ratio (times)	0.69	0.43
Quick ratio (times)	0.66	0.42
Trade receivable turnover ratio (times)	5.78	5.68
Collection period (days)	63.20	64.24
Inventory turnover ratio (times)	N/A	N/A
Average sales period (days)	N/A	N/A
Trade payables turnover ratio (times)	5.86	4.95
Repayment period (days)	63.20	73.77
<u>Profitability Ratio</u>		
Gross margin from service (%)	53.49	54.31
Net profit margin (%)	36.63	31.94
<u>Efficiency Ratio</u>		
Return on assets (%)	10.15	7.93
Return on Equity (%)	13.15	10.18
<u>Financial Ratio</u>		
Debt to Equity Ratio (times)	0.70	0.69
Dividend payout ratio (%)	112.59	53.71
Debt repayment ratio (times)	1.18	0.73

Liquidity Ratio

- Liquidity ratio, the result could point to short-term financial position of the group. In the year 2019, the company has liquidity is at 0.69, which increased from the year 2018 that liquidity is at 0.43 times, shows that the company and its subsidiaries have the ability to repay short-term debt in less than last year, due at the end of the year 2019 the company has been granted loans from financial institutions so the company's short-term liabilities has been converted to long-term

- Liquidity ratio spinning in 2019 was 0.66 times which increased from year 2018 was 0.42 times. The ratio shows that the company had assets that can be converted into cash easily decreased from last year. By the year 2019, cash and cash equivalents increased of baht 114.20 million. Details described above.

- Liquidity ratio spinning was 5.78 times which increased from year 2018 was 5.68 times. The ratio shows that the company had assets that can be converted into cash easily decreased from last year. By the year 2018, cash and cash equivalents decreased. Details described above.

- The average collection period is equal to 63.20 day which increased from the year 2018 which has the average collection period is equal to 64.24 day. The results have been shown. that companies use the short collection period

from last year due to the debtor remaining at the end of a debtor resulting from business, media, advertising, which average collection period 60-75 days.

- Current Ratio inventory cannot calculate due to the inventory consists of materials for construction. This will be used when building a billboard. or to repair the structure of the billboard only. Not intended for sale.
- Sales period can not be calculated as well, either from the same inventory turnover.
- Current Ratio payable as 5.86 times which will increase from the year 2018 with circulating ratio was 4.95 times that the pay provided to partners to calculate the payment period (in the next section).
- The average payment period equals 63.20 day which decreased from the year 2018 the debt was 73.77 days because the credit term the company has been granted from the trade payables was shorter than the term granted for last year.

Profitability ratio

- Gross profit margin from service was 53.49%, decreased from 2018 with gross profit margin of 54.31% because in the year 2019, real estate for rent and services there is a warehouse which is in the process of searching for 1 new tenant with an area of 4,525 sqm., which the income in the year 2019 decreased by 20.15 million baht from the previous year.
- Net profit margin of 2019 was 36.63% which increased from 2018 with a net profit margin of 31.94% because in 2018, there was recognition of gain from changes in fair value and participating profit from investment in associates as profit for the year.

Performance ratio

- Return on assets was 10.15%, increased from 2018 with return on assets was 7.93% because in 2018, the net profit increased from the recognition of gain from changes in fair value of investment property and participating profit from investment in associates.
- Return on equity ratio is 13.15%, increased from 2018 with return on equity was 10.18%. It was a result from the increase in net profit for the year 2019.

Financial Policy Analysis Ratio

- Debt to equity ratio in 2019 is 0.70 times, increased from 2018 with debt to equity ratio was 0.69 times. Because the Company's loan has decreased from repayment according to the due date.
- Debt service coverage ratio is 1.18 times, increased from 2018 with debt service coverage ratio of 0.73 times. Because debt that is calculated is a debt obligation due within 1 year, which decreased from the amount in 2018. At the end of the year 2019, the company has been granted loans from financial institutions so the short-term liabilities converted to long-term liabilities.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
AQUA CORPORATION PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated financial statements of Aqua Corporation Public Company Limited and its subsidiaries and the separate financial statements of Aqua Corporation Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2019, the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Aqua Corporation Public Company Limited and its subsidiaries (the Group) and of Aqua Corporation Public Company Limited as at December 31, 2019, its consolidated and separate 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 Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions 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.

INDEPENDENT AUDITOR'S REPORT (Con't) -2-**Key Audit Matter**

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. My opinion on the consolidated and separate financial statements is not modified with respect to any of the key audit matters described below, and I do not express an opinion on these individual matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying consolidated and separate financial statements as a whole.

Key audit matter and how audit procedures respond for each matter are described below.

Business acquisitions

As discussed in Note 11.1 to the financial statements, in 2019, the Group has acquired a businesses at the amount of Bath 380 million and recognized goodwill from the acquisitions at the amount of Baht 352.9 million in the consolidated statement of financial position as at December 31, 2019. The Company had engaged an independent valuation specialist to measure fair value of acquired assets and liabilities and recognized goodwill from the business combination by applying the acquisition method. I have focused on this business acquisitions since it is material to the financial statements as a whole, and management was required to exercise substantial judgment when appraising the fair values of the assets acquired and liabilities assumed, including recognized goodwill

Significant audit procedures, among other, included the following.

- Inquired management about the nature and objectives of the shares acquisition.
- Read the sales and purchase agreement and analysis report of business combination prepared by the Group to understand key terms and conditions.
- Assessed the appropriateness of the management judgement in determining the assumptions applied in determining the purchase price for the investment of the subsidiaries.

INDEPENDENT AUDITOR'S REPORT (Con't) -3-**Key Audit Matter (Con't)****Business acquisitions (Con't)**

- Evaluated the appropriateness of the assessment by the Group of identification of all assets acquired and liabilities assumed and consideration transferred.
- Evaluated knowledge competency and integrity of the independent appraiser including the appropriateness of the assumptions and the valuation methods applied.
- Review the presentation and related disclosure.

Measurement of investment properties in the consolidated financial statements

The consolidated financial statements of the Company include investment property of the subsidiaries which were recorded at fair value using the income approach model: discounted cash flow projections determined by independent appraiser. Changes in fair value of investment properties were recognized in profit or loss.

As at December 31, 2019, its subsidiaries' management had measured the fair value of their investment properties determined by independent appraiser to be Baht 3,934 million, accounting for 50% of total assets and recognized gain on valuation of investment properties amounting to Baht 78.62 million in the consolidated financial statements as disclosed in the note 13 to the financial statements. The measurement of fair value was based on the assumptions and judgment of both the management and an independent appraiser. I identified the measurement of investment properties to be an area significantly impacting the financial statements.

My significant audit procedures included assessing the knowledge, competency and integrity of the independent appraiser, read the appraisal report prepared by the independent appraiser and considered the reasonableness of the approach and assumptions used in the fair value measurement through inquiry with the independent appraiser and the management and performed an analytical review of relevant information. In addition, I tested the calculation of fair value and considered the completeness and accuracy of the disclosures made in the notes to financial statements.

INDEPENDENT AUDITOR'S REPORT (Con't) -4-**Impairment of goodwill and investments in subsidiaries**

As described in Notes 11.2 to the financial statements, the Group had goodwill presented in the consolidated financial statements amounting to Baht 738.83 million representing 9.48% of total assets and the Company had investments in subsidiaries an presented in the separate financial statements amounting to Baht 1,951.94 million representing 47.09% of total assets which are determined to be significant to the Company's and the group's financial statements. The impairment assessment of goodwill and investments in subsidiaries considers whether the carrying amount of the assets exceeds the recoverable amount and involves the application of subjective management's judgment about future business performance. Certain assumptions made by management in the impairment review are considered to be key areas of judgment, notably the estimated future cash flows, economic growth rates and the discount rates applied. Consequently, I considered that this is a significant matter.

My audit procedures included:

- Assessing historical operating result, current operating result and future plan of Group and considering the factor which indicated to impact on impairment of goodwill and investment in subsidiaries.
- Comparing budgeted future cash flows and the assumption of economic growth rate against the Company's business plan and historical operating result to assess the reasonableness of budget and include comparing industry information with external market analysis.
- Assessing the suitability of the discount rate applied to the future cash flows and benchmarked this against other companies in the industry and
- Assessing the appropriateness and adequacy of disclosure in accordance with Thai Financial Reporting Standards.

Other Information

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

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

INDEPENDENT AUDITOR'S REPORT (Con't) -5-**Other Information (Con't)**

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

When I read the annual report 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 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.

INDEPENDENT AUDITOR'S REPORT (Con't) -6-**Auditor's Responsibilities for the Audit of the consolidated and separate financial statements (Con't)**

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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group 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 and business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group audit .We remain solely responsible for my audit opinion.

INDEPENDENT AUDITOR'S REPORT (Con't) -7-**Auditor's Responsibilities for the Audit of the consolidated and separate financial statements (Con't)**

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 am also required to 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Wanpen Unruan.



(Wanpen Unruan)

Certified Public Accountant (Thailand) No. 7750

OFFICE OF PITISEVI CO., LTD.

8/4, Floor 1st, 3rd, Soi Viphavadee Rangsit 44,
Chatuchak, Bangkok

February 28, 2020

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
Note		2019	2018	2019	2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	158,093,489.95	43,886,890.96	60,256,716.99	14,255,223.59
Temporary investments - net		911.76	955.44	911.76	955.44
Trade accounts and other current receivable - net	5.2 , 7	308,285,785.92	337,649,998.33	2,848,498.37	1,780,464.42
Short - term loans to subsidiaries	5.2	-	-	1,257,150,000.00	957,450,000.00
Other current assets		21,370,738.67	13,063,647.45	1,357,597.95	1,159,297.10
Total current assets		487,750,926.30	394,601,492.18	1,321,613,725.07	974,645,940.55
NON - CURRENT ASSETS					
Deposits at bank held on collaterals	8	9,097,400.00	9,097,400.00	97,400.00	97,400.00
Hire - purchase and finance lease contract receivable - net	9	-	-	-	-
Non - current trade accounts receivable	7	24,000,000.00	-	-	-
Investment in associated company	10	1,276,550,382.46	984,665,846.40	778,284,898.44	767,593,198.62
Investments in subsidiaries	11.1	-	-	1,951,941,910.02	1,914,005,894.29
Other long - term investments	12	29,900,000.00	29,900,000.00	29,900,000.00	29,900,000.00
Investment property	13	3,934,057,524.95	3,856,043,492.43	-	-
Property, plant and equipment - net	14	1,230,417,041.48	1,156,462,617.98	18,514,026.30	18,408,476.83
Deferred tax assets	15	-	-	40,499,187.32	41,583,071.71
Goodwill	11.2	738,828,427.30	385,923,870.80	-	-
Other non - current assets		57,713,276.87	44,934,666.12	4,644,235.85	6,475,181.42
Total non - current assets		7,300,564,053.06	6,467,027,893.73	2,823,881,657.93	2,778,063,222.87
TOTAL ASSETS		7,788,314,979.36	6,861,629,385.91	4,145,495,383.00	3,752,709,163.42

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
	Note	2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdraft and short - term loans					
from financial institutions	16	40,612,976.13	126,273,876.37	-	85,000,000.00
Trade accounts and other current payable	5.2, 17	94,648,369.36	88,674,988.68	4,017,409.25	1,330,997.77
Current portion of long - term liabilities					
Long - term loans from financial institutions	18	446,239,057.16	382,193,932.52	215,039,582.99	199,920,000.00
Debentures	19	59,935,483.87	289,457,595.34	59,935,483.87	289,457,595.34
Liabilities under hire - purchase contracts	20	27,986,643.52	1,803,566.99	1,045,495.87	1,168,980.00
Provision of current liabilities for employee benefit	21	8,247,696.13	1,558,371.00	3,368,258.41	-
Accrued corporate income tax		14,459,506.00	8,192,003.76	-	-
Other current liabilities		17,524,634.44	14,836,366.99	1,572,678.67	1,185,672.86
Total current liabilities		709,654,366.61	912,990,701.65	284,978,909.06	578,063,245.97
NON - CURRENT LIABILITIES					
Long - term loans from financial institutions - net	18	1,379,679,314.62	1,308,408,509.59	423,266,062.96	225,190,000.00
Debentures - net	19	417,734,916.92	-	417,734,916.92	-
Liabilities under hire - purchase contracts - net	20	68,100,373.99	613,577.01	2,472,316.10	613,577.01
Provision of non - current liabilities					
for employee benefit - net	21	17,971,493.22	13,897,017.04	5,025,806.05	4,654,623.00
Deferred tax liabilities	15	419,806,254.93	386,080,912.87	-	-
Other non - current liabilities	5.2, 22	187,053,603.19	180,700,577.47	1,881,000.00	1,641,000.00
Total non - current liabilities		2,490,345,956.87	1,889,700,593.98	850,380,102.03	232,099,200.01
TOTAL LIABILITIES		3,200,000,323.48	2,802,691,295.63	1,135,359,011.09	810,162,445.98

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
	Note	2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY (Con't)					
SHAREHOLDERS' EQUITY					
Share capital	23				
Authorized share capital					
5,970,900,000 common shares of Baht 0.50 each in 2019					
4,593,000,000 common shares of Baht 0.50 each in 2018		2,985,450,000.00	2,296,500,000.00	2,985,450,000.00	2,296,500,000.00
Issued and fully paid - up share capital					
4,593,000,000 common shares of Baht 0.50 each		2,296,500,000.00	2,296,500,000.00	2,296,500,000.00	2,296,500,000.00
Treasury shares - common shares	24	-	(66,385,213.71)	-	(66,385,213.71)
Share premium		312,839,634.75	312,839,634.75	312,839,634.75	312,839,634.75
Retained earnings					
Appropriated					
Legal reserve	25	50,335,379.86	43,083,274.60	50,335,379.86	43,083,274.60
Treasury shares reserve	24	-	66,385,213.71	-	66,385,213.71
Unappropriate		1,790,093,627.20	1,294,049,848.69	350,461,357.30	290,123,808.09
Other components of shareholders' equity		70,914,609.71	42,778,843.24	-	-
Total equity of the Company		4,520,683,251.52	3,989,251,601.28	3,010,136,371.91	2,942,546,717.44
Non - controlling interests		67,631,404.36	69,686,489.00	-	-
TOTAL SHAREHOLDERS' EQUITY		4,588,314,655.88	4,058,938,090.28	3,010,136,371.91	2,942,546,717.44
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,788,314,979.36	6,861,629,385.91	4,145,495,383.00	3,752,709,163.42

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
	Note	2019	2018	2019	2018
REVENUES					
Sale incomes		7,416,953.03	6,847,483.93	-	-
Proceeds from services	5.1	1,138,743,242.03	1,043,606,577.39	300,000.00	-
Dividend income	5.1, 10, 26, 27	-	-	131,390,741.25	178,331,669.50
Gain on the disposal of investment	10	14,834,498.35	-	14,834,498.35	-
Interest income	5.1	3,296,710.35	4,965,342.82	56,834,431.61	53,248,863.73
Others income	5.1	23,400,379.10	17,431,826.03	17,949,155.59	18,076,795.07
Gain on revaluation of investment property		78,621,509.16	15,015,430.82	-	-
TOTAL REVENUES		1,266,313,292.02	1,087,866,660.99	221,308,826.80	249,657,328.30
EXPENSES					
Cost of sales		7,416,953.03	6,847,483.93	-	-
Cost of services	5.1	529,609,337.21	476,835,294.75	71,100.00	-
Distribution costs		57,070,094.37	41,399,897.08	5,786.45	-
Administrative expenses		189,778,687.74	161,698,674.33	49,912,470.55	44,751,523.34
Finance cost	5.1	101,003,376.22	92,931,548.05	47,554,755.76	35,141,223.24
TOTAL EXPENSES		884,878,448.57	779,712,898.14	97,544,112.76	79,892,746.58
PROFIT BEFORE SHARE OF PROFIT ON INVESTMENT IN ASSOCIATED COMPANY AND INCOME TAX					
Share of profit on investment in associated company	10	261,209,672.25	136,047,315.22	-	-
PROFIT BEFORE INCOME TAX		642,644,515.70	444,201,078.07	123,764,714.04	169,764,581.72
Income tax (expense) income	15.4	(74,844,136.78)	(46,181,233.48)	(1,386,598.43)	1,279,419.88
NET PROFIT FOR THE YEAR		567,800,378.92	398,019,844.59	122,378,115.61	171,044,001.60
OTHER COMPREHENSIVE INCOME					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent year :</i>					
Share of other comprehensive income of associates		56,921,513.09	(20,367,713.69)	-	-
<i>Other comprehensive income not to be reclassified of profit or loss in subsequent year :</i>					
Defined profit (loss) plan remeasurement employee benefit - net from income tax	15.4.1	(2,720,058.00)	-	(1,210,856.18)	-
Total other comprehensive income (loss) for the year - net tax		54,201,455.09	(20,367,713.69)	(1,210,856.18)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		622,001,834.01	377,652,130.90	121,167,259.43	171,044,001.60
NET PROFIT ATTRIBUTABLE TO					
Owners of the parent		559,593,546.73	390,875,861.40		
Non - controlling interests		8,206,832.19	7,143,983.19		
NET PROFIT FOR THE YEAR		567,800,378.92	398,019,844.59		
COMPREHENSIVE INCOME ATTRIBUTABLE TO					
Owners of the parent		613,795,001.82	370,508,147.71		
Non - controlling interests		8,206,832.19	7,143,983.19		
COMPREHENSIVE INCOME FOR THE YEAR		622,001,834.01	377,652,130.90		
BASIC EARNINGS PER SHARE (BAHT : SHARE)					
Equity holders of the parent company	27	<u>0.1218</u>	<u>0.0867</u>	<u>0.0266</u>	<u>0.0380</u>

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2019

Unit : Baht													
Consolidated													
Note	Retained earnings			Other components of shareholders' equity				Total equity					Total
	Issued and paid-up share capital	Treasury shares - common share	Share premium	Appropriated for legal reserve	Treasury shares reserve	Unappropriated	Surplus on business combination under common control	Surplus from change in equity interest	Unrealized profit (loss) on investment in associated company	Total other components of shareholders' equity	to shareholders' equity	Non - controlling interests	
Beginning balance as at January 1, 2018	2,296,500,000.00	(66,385,213.71)	312,839,634.75	34,565,491.60	66,385,213.71	956,760,508.29	165,928,003.48	(105,718,096.34)	29,739,934.48	89,949,841.62	3,690,615,476.26	72,064,805.62	3,762,680,281.88
<i>Transactions with owners, recorded directly in shareholders' equity</i>													
<i>Contributions by and distributions to owners of the parent :</i>													
Dividends to owners of the Company	26	-	-	-	-	(45,068,738.00)	-	-	-	-	(45,068,738.00)	-	(45,068,738.00)
<i>Change in ownership interests in subsidiary :</i>													
Increase (decrease) in non - controlling interest in subsidiary													
Investments in subsidiary		-	-	-	-	-	(5,327,059.28)	(21,476,225.41)	-	(26,803,284.69)	(26,803,284.69)	(9,325,033.96)	(36,128,318.65)
Dividend payment of subsidiaries		-	-	-	-	-	-	-	-	-	-	(197,265.85)	(197,265.85)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	(45,068,738.00)	(5,327,059.28)	(21,476,225.41)	-	(26,803,284.69)	(71,872,022.69)	(9,522,299.81)	(81,394,322.50)
<i>Comprehensive income for the year</i>													
Net profit for the year		-	-	-	-	390,875,861.40	-	-	-	-	390,875,861.40	7,143,983.19	398,019,844.59
Other comprehensive income (loss)		-	-	-	-	-	-	-	(20,367,713.69)	(20,367,713.69)	(20,367,713.69)	-	(20,367,713.69)
Total comprehensive income for the year		-	-	-	-	390,875,861.40	-	-	(20,367,713.69)	(20,367,713.69)	370,508,147.71	7,143,983.19	377,652,130.90
Legal reserve	25	-	-	-	8,517,783.00	-	(8,517,783.00)	-	-	-	-	-	-
Ending balance as at December 31, 2018		2,296,500,000.00	(66,385,213.71)	312,839,634.75	43,083,274.60	66,385,213.71	1,294,049,848.69	160,600,944.20	(127,194,321.75)	9,372,220.79	42,778,843.24	3,989,251,601.28	4,058,938,090.28
<i>Transactions with owners, recorded directly in shareholders' equity</i>													
<i>Contributions by and distributions to owners of the parent :</i>													
Treasury shares - common shares	24	-	66,385,213.71	-	-	(66,385,213.71)	38,282,395.04	-	-	-	38,282,395.04	-	38,282,395.04
Dividend to owners of the company	26	-	-	-	-	(91,860,000.00)	-	-	-	-	(91,860,000.00)	-	(91,860,000.00)
<i>Change in ownership interests in subsidiary :</i>													
Increase (decrease) in non - controlling interest in subsidiary													
Investment in subsidiary	11.1	-	-	-	-	-	(4,849,632.87)	(23,936,113.75)	-	(28,785,746.62)	(28,785,746.62)	(9,150,269.95)	(37,936,016.57)
Dividend payment of subsidiaries		-	-	-	-	-	-	-	-	-	-	(1,111,646.88)	(1,111,646.88)
Total transactions with owners, recorded directly in shareholders' equity		-	66,385,213.71	-	-	(66,385,213.71)	(53,577,604.96)	(4,849,632.87)	(23,936,113.75)	-	(28,785,746.62)	(82,363,351.58)	(92,625,268.41)
<i>Comprehensive income for the year</i>													
Net profit for the year		-	-	-	-	559,593,546.73	-	-	-	-	559,593,546.73	8,206,832.19	567,800,378.92
Other comprehensive income (loss)		-	-	-	-	(2,720,058.00)	-	-	56,921,513.09	56,921,513.09	54,201,455.09	-	54,201,455.09
Total comprehensive income for the year		-	-	-	-	556,873,488.73	-	-	56,921,513.09	56,921,513.09	613,795,001.82	8,206,832.19	622,001,834.01
Legal reserve	25	-	-	-	7,252,105.26	-	(7,252,105.26)	-	-	-	-	-	-
Ending balance as at December 31, 2019		2,296,500,000.00	-	312,839,634.75	50,335,379.86	-	1,790,093,627.20	155,751,311.33	(151,130,435.50)	66,293,733.88	70,914,609.71	4,520,683,251.52	4,588,314,655.88

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Con't)

FOR THE YEAR ENDED DECEMBER 31, 2019

Unit : Baht							
Separate							
Note	Issued and paid-up share capital	Treasury shares - common share	Share premium	Retained earnings		Unappropriated	Total
				Appropriated for Legal reserve	Treasury shares reserve		
Beginning balance as at January 1, 2018	2,296,500,000.00	(66,385,213.71)	312,839,634.75	34,565,491.60	66,385,213.71	172,666,327.49	2,816,571,453.84
<i>Transactions with owners, recorded directly in shareholders' equity</i>							
<i>Contributions by and distributions to owners of the parent :</i>							
Dividends to owners of the Company	26	-	-	-	-	(45,068,738.00)	(45,068,738.00)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	(45,068,738.00)	(45,068,738.00)
<i>Comprehensive income for the year</i>							
Net profit for the year		-	-	-	-	171,044,001.60	171,044,001.60
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	171,044,001.60	171,044,001.60
Legal reserve		-	-	8,517,783.00	-	(8,517,783.00)	-
Ending balance as at December 31, 2018	2,296,500,000.00	(66,385,213.71)	312,839,634.75	43,083,274.60	66,385,213.71	290,123,808.09	2,942,546,717.44
<i>Transactions with owners, recorded directly in shareholders' equity</i>							
<i>Contributions by and distributions to owners of the parent :</i>							
Treasury shares - common shares	24	-	66,385,213.71	-	(66,385,213.71)	38,282,395.04	38,282,395.04
Dividends to owners of the Company	26	-	-	-	-	(91,860,000.00)	(91,860,000.00)
Total transactions with owners, recorded directly in shareholders' equity		-	66,385,213.71	-	(66,385,213.71)	(53,577,604.96)	(53,577,604.96)
<i>Comprehensive income for the year</i>							
Net profit for the year		-	-	-	-	122,378,115.61	122,378,115.61
Other comprehensive income		-	-	-	-	(1,210,856.18)	(1,210,856.18)
Total comprehensive income for the year		-	-	-	-	121,167,259.43	121,167,259.43
Legal reserve	25	-	-	7,252,105.26	-	(7,252,105.26)	-
Ending balance as at December 31, 2019	2,296,500,000.00	-	312,839,634.75	50,335,379.86	-	350,461,357.30	3,010,136,371.91

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
	Note	2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Net profit for the year before corporate income tax		642,644,515.70	444,201,078.07	123,764,714.04	169,764,581.72
Reconciliations of net profit (loss) to net cash provided by (used in) operating activities					
Depreciation	14	140,446,837.43	133,203,239.29	3,448,956.87	2,795,822.38
Assets transfer to expenses	14	4,386,477.40	3,574,713.90	-	-
Written - off of non - refundable withholding tax		3,264,951.78	-	3,264,951.78	-
Allowances for doubtful accounts	7	4,156,181.62	50,020,000.00	-	21,700,000.00
Allowances for doubtful accounts (reversal)	7	(160,500.00)	(50,039,950.00)	-	(21,719,950.00)
Impairment loss on billboard (reversal)		-	(4,621,248.47)	-	-
Impairment loss on investment in subsidiary		-	-	-	126,966.00
Impairment loss on investment in subsidiary (reversal)		-	-	-	(999,960.00)
Loss from recovery and written - off of investment in subsidiary		-	-	-	999,960.00
(Gain) loss from disposal and written off of fixed assets	14	2,186,394.97	(35,185.92)	(9,989.40)	3.00
(Gain) loss on change in fair value of temporary investments		43.68	295.56	43.68	295.56
(Gain) loss on change in fair value of associated investments	10	(362,826.64)	-	(362,826.64)	-
(Gain) loss on disposal the rights of warrant	10	(14,471,671.79)	-	(14,471,671.79)	-
Unrealized (gain) loss from exchange rate		(382,138.76)	(141,001.48)	-	-
Amortization of debenture expenses		2,656,547.75	905,756.50	2,656,547.75	905,756.50
Amortization of prepaid interest expense		3,477,696.99	-	3,477,697.00	-
Recognition of advance receipts as income	22	(6,700,048.20)	(6,483,369.27)	-	-
Unrecognized from sale and hire purchase back contracts		(860,410.17)	-	-	-
Rental income by straight line method on contract value		(3,088,235.00)	(4,566,067.84)	-	-
Reversal of retention to other income		(3,798,788.89)	-	-	-
Reversal of liability to other income		(8,340,743.45)	-	-	-
Provision for employee benefit	21	6,836,425.77	3,398,359.00	2,225,871.24	1,398,870.00
Provision for decommissioning costs (reversal)		(213,138.34)	3,798.22	-	-
Share of (profit) loss on investment in associated company		(261,209,672.25)	(136,047,315.22)	-	-
(Gain) loss on revaluation of investment property	13	(78,621,509.16)	(15,015,430.82)	-	-
Dividend income	5.1, 10, 11	-	-	(131,390,741.25)	(178,331,669.50)
Interest income		(3,296,710.35)	(4,965,342.82)	(56,834,431.61)	(53,248,863.73)
Interest expenses		101,003,376.22	92,931,548.05	47,554,755.76	35,141,223.24
Profit (loss) from operating activities before change in operating assets and liabilities		529,553,056.31	506,323,876.75	(16,676,122.57)	(21,466,964.83)
(Increase) decrease in operating assets :					
Trade accounts and other current receivable		42,421,535.93	(57,648,016.16)	(1,978,095.80)	152,307.60
Hire - purchase and financial lease contract receivable		-	19,950.00	-	19,950.00
Other current assets		5,423,207.19	11,755,937.66	(124,593.07)	949,082.42
Other non - current assets		(12,139,653.07)	(11,611,453.41)	(286,980.72)	(863,500.00)
Increase (decrease) in operating liabilities :					
Trade accounts and other current payable		(2,531,415.03)	(20,436,725.88)	1,947,340.81	(434,399.27)
Other current liabilities		1,962,527.83	6,604,460.76	387,005.81	205,889.83
Other non - current liabilities		(1,280,124.82)	(1,266,653.99)	240,000.00	-
Cash provided by (used in) operating activities		563,409,134.34	433,741,375.73	(16,491,445.54)	(21,437,634.25)
Interest paid		(100,532,738.19)	(93,329,862.43)	(46,842,540.95)	(35,300,159.25)
Income tax paid		(49,378,046.93)	(35,437,517.36)	(1,220,733.27)	(1,147,025.49)
Net cash provided by (used in) operating activities		413,498,349.22	304,973,995.94	(64,554,719.76)	(57,884,818.99)

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

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AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (Con't)
FOR THE YEAR ENDED DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
	Note	2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease (increase) in deposits at bank held on collaterals		-	4,731,175.52	-	-
Cash paid for short - term loans to subsidiaries	5.2	-	-	(637,300,000.00)	(226,500,000.00)
Cash received from short - term loans to subsidiaries	5.2	-	-	337,600,000.00	105,100,000.00
Interest received from loan		2,377,644.83	4,930,809.46	56,834,457.62	53,280,372.22
Dividend income		36,938,349.10	42,228,447.95	131,390,741.25	178,331,669.50
Cash paid for purchase of temporary investment		(100,000,000.00)	(50,000,000.00)	(100,000,000.00)	(50,000,000.00)
Receipt from temporary investment - maturity		100,000,000.00	50,200,000.00	100,000,000.00	50,000,000.00
Cash paid for acquisition of indirect subsidiary net of cash acquired	11.1	(371,461,203.88)	-	-	-
Cash paid for acquisition of investments in subsidiary	11.1	(37,936,015.73)	(36,128,318.65)	(37,936,015.73)	(36,128,318.65)
Cash paid for acquisition of investments in associated company	10	(11,459,950.82)	(154,830,661.61)	(11,459,950.82)	(154,830,661.61)
Cash receipt from disposal of investment associated company	10	1,131,077.64	-	1,131,077.64	-
Cash receipt from disposal the rights of warrant	10	14,471,671.79	-	14,471,671.79	-
Cash received from disposal of fixed assets	14	4,873,979.39	18,912,539.49	10,010.40	-
Cash paid for acquisition of fixed assets	14	(194,022,077.15)	(228,571,141.47)	(100,527.34)	(189,210.66)
Increase in investment property		-	(98,601.70)	-	-
Cash received from disposal of investment property		607,476.64	-	-	-
Net cash provided by (used in) investing activities		(554,479,048.19)	(348,625,751.01)	(145,358,535.19)	(80,936,149.20)
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in overdraft and short - term loans					
from financial institutions		(85,660,900.24)	126,273,876.37	(85,000,000.00)	85,000,000.00
Cash received from issuing discounted bill of exchange		50,000,000.00	-	50,000,000.00	-
Repayments of discounted bill of exchange - maturity		(50,000,000.00)	(10,000,000.00)	(50,000,000.00)	(10,000,000.00)
Cash received from issuing debentures	19	640,200,000.00	130,000,000.00	540,200,000.00	130,000,000.00
Cash paid for debentores - maturity	19	(448,200,000.00)	-	(348,200,000.00)	-
Cash paid for expense of issuing debentures	19	(6,443,742.30)	-	(6,443,742.30)	-
Cash paid for interest of debentures		(2,567,661.16)	(1,134,309.79)	(2,567,661.16)	(1,134,309.79)
Cash received from short - term loans from subsidiaries	5.2	-	-	183,500,000.00	-
Repayment of short - term loans from subsidiaries	5.2	-	-	(183,500,000.00)	-
Cash received from short - term loans from other person		20,000,000.00	-	20,000,000.00	-
Repayment of short - term loans from other person		(20,000,000.00)	-	(20,000,000.00)	-
Cash received from long - term loans from financial institutions	18	543,880,000.00	-	439,480,000.00	-
Repayment of long - term loans from financial institutions	18	(408,564,070.33)	(377,006,260.52)	(226,284,354.05)	(199,920,000.00)
Cash received from sale and hire purchase back contracts	14	145,835,633.22	-	-	-
Repayment of liabilities under hire - purchase contract		(68,629,871.85)	(1,896,155.60)	(1,718,745.04)	(1,061,572.32)
Receipt from disposal treasury shares	24	38,282,395.04	-	38,282,395.04	-
Dividend paid	26	(92,944,484.42)	(45,246,147.09)	(91,833,144.14)	(45,049,185.65)
Net cash provided by (used in) financing activities		255,187,297.96	(179,008,996.63)	255,914,748.35	(42,165,067.76)
Net increase (decrease) in cash and cash equivalent		114,206,598.99	(222,660,751.70)	46,001,493.40	(180,986,035.95)
Cash and cash equivalent as at beginning balance		43,886,890.96	266,547,642.66	14,255,223.59	195,241,259.54
Cash and cash equivalent as at ending balance		158,093,489.95	43,886,890.96	60,256,716.99	14,255,223.59

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (Con't)

FOR THE YEAR ENDED DECEMBER 31, 2019

		Unit : Baht			
		Consolidated		Separate	
	Note	2019	2018	2019	2018
Supplemental disclosures of cash flows information					
1. Non - cash transaction					
Subsidiaries in investment property on credit		-	2,530,549.87	-	-
Subsidiaries purchase of fixed assets on credit	14	9,876,411.81	6,953,488.38	-	-
The Company purchase of fixed assets					
on hire-purchase contract	14	3,454,000.00	-	3,454,000.00	-
A subsidiary purchase of fixed assets on sale					
and hire purchase back contracts	14, 20	156,593,163.89	-	-	-
Receivable from disposal of fixed assets	14	12,812,589.73	-	-	-
2. Unutilized credit facilities for future working capital					
Unit : Baht		88,084,155.43	57,105,156.11	15,000,000.00	-
Unit : US Dollar		5,000,000.00	-	-	-

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

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2019****1 GENERAL INFORMATION**

Aqua Corporation Public Company Limited hereinafter referred to as “the Company” which is a public company incorporated and domiciled in Thailand on April 20, 2004, registration No.0107547000397 and the Company was listed on the Stock Exchange of Thailand on September 17, 2004. The Company’s registered address is 121/68-69, Ratchadapisek Road, Dindaeng, Bangkok. The Company’s principal activities are investment in other companies.

The subsidiaries main business operations as describe in Note 5 to the financial statements.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**2.1 Basis of preparation of financial statements**

The statutory financial statements are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Thailand Federation of Accounting Professions (“TFAC”) and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (1992).

The consolidated and separate financial statements have been presented in accordance with Thai Accounting Standard No. 1 (Revised 2018) subject : “Presentation of Financial Statements” and the requirements of The Department of Business Development announcement subject : “The mandatory items, have to be presented in the financial statements, No. 2, B.E. 2559” dated October 11, 2016 under the Accounting Act B.E. 2543 which is effective for the preparation of financial statements of the Public Company Limited for the accounting period commencing on after January 1, 2017.

The consolidated and separate financial statements are presented in Thai Baht, which is the Company and its subsidiaries’ functional currency, rounded in the notes to the financial statements to the nearest thousand Baht otherwise stated.

2.2 Basis of preparation of consolidated financial statements

The consolidated financial statements included the financial statements of Aqua Corporation Public Company Limited and its subsidiaries and interest in associate as follows.-

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS (Con't)

2.2 Basis of preparation of consolidated financial statements (Con't)

The details of subsidiaries as follows.-

	Percentage directly and indirectly owned by the Company as at		Assets as a percentage to the Consolidated total assets as at		Revenues as a percentage to the Consolidated total revenues	
	2019	2018	2019	2018	2019	2018
<u>Subsidiaries held by the Company :</u>						
Mantra Assets Company Limited	99.99	99.99	9.75	10.47	5.62	6.18
Aqua Ad Public Company Limited	99.99	99.99	5.83	6.55	26.40	31.12
Thai Consumer Distribution Centre Company Limited	96.13	96.13	37.52	42.11	22.20	24.99
Boardway Media Company Limited	99.99	95.00	17.78	14.05	34.46	32.79
<u>Indirectly subsidiaries held by subsidiaries :</u>						
Accomplish Way Holdings Company Limited	99.99	99.99	5.24	5.62	5.55	3.07
M.I.S Media Company Limited	99.99	99.99	0.78	0.86	1.43	1.44
S.Thana Media Company Limited	99.99	-	0.83	-	3.08	-
<u>Associated company :</u>						
Eastern Printer Public Company Limited	40.08	39.69	-	-	-	-

- 2.2.1 On June 11, 2019, the Company has additionally acquired additional 4.99% of shares of Boardway Media Co., the percentage of shareholding in such subsidiary has changed from 95% to 99.99% as described in detail in Note 11.1 to the financial statements.
- 2.2.2 On July 31, 2019, the Company's subsidiary, Boardway Media Company Limited has invested in S. Thana Media Co.,Ltd. at 99.99% of its authorized and paid up share capital as described in Note 11.1 to the financial statements. The financial statements of S. Thana Media Co., Ltd., have been consolidated from that date.
- 2.2.3 Subsidiary is all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights.
- 2.2.4 Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% to 50% of the voting power of another entity.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS (Con't)**2.2 Basis of preparation of consolidated financial statements (Con't)**

2.2.5 The financial statement of subsidiaries have been consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of such control ceases.

2.2.6 Investment in associate is accounted for using the equity method and is recognized initially at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investee from the date that significant influence incurs until the date that significant influence ceases.

2.2.7 The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

2.2.8 Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiaries, any non-controlling interests and the other components of equity related to the subsidiaries. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiaries, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2.2.9 Non-controlling interests represent the portion of income or loss and net assets that is not held by the Group and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS (Con't)

2.2 Basis of preparation of consolidated financial statements (Con't)

- 2.2.10 The Group applies the acquisition method for all business combinations when control is transferred to the Group, other than those with entities under common control. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognized in profit or loss immediately.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

- 2.2.11 The financial statements of the subsidiaries, associates are prepared for the same reporting period as the parent company.
- 2.2.12 The financial statements of the subsidiaries, associates are prepared based on the same significant accounting policies as the parent company for the same accounting items or similar accounting events.
- 2.2.13 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.

Unrealized gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2.3 Basis of preparation of separate financial statements

The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

3.1 New Financial Reporting Standards effective in the current year

In current year, the Company and its subsidiaries have applied the revised (revised 2018) and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), and Interpretations (TSIC and TFRIC) as announced by the Thailand Federation of Accounting Professions as follows:-

Thai Accounting Standards

TAS 1 (revised 2018)	Presentation of Financial Statements
TAS 2 (revised 2018)	Inventories
TAS 7 (revised 2018)	Statement of Cash Flows
TAS 8 (revised 2018)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2018)	Events after the Reporting Period
TAS 12 (revised 2018)	Income Taxes
TAS 16 (revised 2018)	Property, Plant and Equipment
TAS 17 (revised 2018)	Leases
TAS 19 (revised 2018)	Employee Benefits
TAS 20 (revised 2018)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2018)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (revised 2018)	Borrowing Costs
TAS 24 (revised 2018)	Related Party Disclosures
TAS 26 (revised 2018)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2018)	Separate Financial Statements
TAS 28 (revised 2018)	Investments in Associates and Joint Venture
TAS 29 (revised 2018)	Financial Reporting in Hyperinflationary Economics
TAS 33 (revised 2018)	Earnings per Share
TAS 34 (revised 2018)	Interim Financial Reporting
TAS 36 (revised 2018)	Impairment of Assets
TAS 37 (revised 2018)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2018)	Intangible assets
TAS 40 (revised 2018)	Investment Property
TAS 41 (revised 2018)	Agriculture

Thai Financial Reporting Standard

TFRS 1	First-time Adoption of Thai Financial Reporting Standards
TFRS 2 (revised 2018)	Share - Based Payments
TFRS 3 (revised 2018)	Business Combinations
TFRS 4 (revised 2018)	Insurance Contracts
TFRS 5 (revised 2018)	Non-current Assets Held for Sale and Discontinued Operations

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't)

3.1 New Financial Reporting Standards effective in the current year (Con't)

Thai Financial Reporting Standard (Con't)

TFRS 6 (revised 2018)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2018)	Operating Segments
TFRS 10 (revised 2018)	Consolidated Financial Statements
TFRS 11 (revised 2018)	Joint Arrangements
TFRS 12 (revised 2018)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2018)	Fair Value Measurement
TFRS 15	Revenue from Contracts with Customers

Interpretations

TSIC 10 (revised 2018)	Government Assistance - No Specific Relation to Operating Activities	
TSIC 15 (revised 2018)	Operating Leases - Incentives	
TSIC 25 (revised 2018)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	
TSIC 27 (revised 2018)	Evaluating the Substance of Transactions in the Legal Form of a Lease	
TSIC 29 (revised 2018)	Service Concession Arrangements: Disclosures	
TSIC 32 (revised 2018)	Intangible Assets - Web Site Costs	
TFRIC 1 (revised 2018)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	
TFRIC 4 (revised 2018)	Determining whether an Arrangement contains a Lease	
TFRIC 5 (revised 2018)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	
TFRIC 7 (revised 2018)	Applying the Restatement Approach under TAS 29 (revised 2018)	Fi-
	nancial Reporting in Hyperinflationary Economies	
TFRIC 10 (revised 2018)	Interim Financial Reporting and Impairment	
TFRIC 12 (revised 2018)	Service Concession Arrangements	
TFRIC 14 (revised 2018)	TAS 19 (revised 2017) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	
TFRIC 17 (revised 2018)	Distributions of Non-cash Assets to Owners	
TFRIC 20 (revised 2018)	Stripping Costs in the Production Phase of a Surface Mine	
TFRIC 21 (revised 2018)	Levies	

The above-mentioned standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of accounting standards and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and its subsidiaries. However, some of these standards involve changes to key principles, as follows:

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't)

3.1 New Financial Reporting Standards effective in the current year (Con't)

TFRS 15 Revenue from Contracts with Customers

This standard is established a comprehensive framework for determining whether, how much and when revenue is recognized. Revenue should be recognized when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. 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. It replaces existing revenue recognition standards as follows:

Thai Accounting Standard

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue

Interpretations

TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The change in policy only impacts presentational aspects and has no impact on the Company and its subsidiaries reported assets, liabilities, results or earnings per share.

The amounts of adjustments affecting the statement of comprehensive income for the year ended December 31, 2019 due to the adoption of TFRS15 is summarized below.-

	Unit : Thousand Baht		
	Consolidated		
	Reclassified	Increase (Decrease)	Previously reported
Proceeds from services	1,043,607	(17,288)	1,060,835
Distribution costs	41,400	(17,288)	58,628

3.2 New Thai Accounting Standards announce during the year not yet adopted

In current year, the Thailand Federation of Accounting Professions has issued Notification regarding the revised and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (TSIC and TFRIC) and Accounting Treatment Guidance which were announced and these have been published in the Royal Gazette. The Company and its subsidiaries have not applied such standards before the effective period as follows:

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted (Con't)

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2020

Thai Accounting Standards

TAS 1 (revised 2019)	Presentation of Financial Statements
TAS 2 (revised 2019)	Inventories
TAS 7 (revised 2019)	Statement of Cash Flows
TAS 8 (revised 2019)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2019)	Events after the Reporting Period
TAS 12 (revised 2019)	Income Taxes
TAS 16 (revised 2019)	Property, Plant and Equipment
TAS 19 (revised 2019)	Employee Benefits
TAS 20 (revised 2019)	Accounting for Government Grants and Disclosure of Government

Assistance

TAS 21 (revised 2019)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (revised 2019)	Borrowing Costs
TAS 24 (revised 2019)	Related Party Disclosures
TAS 26 (revised 2019)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2019)	Separate Financial Statements
TAS 28 (revised 2019)	Investments in Associates and Joint Venture
TAS 29 (revised 2019)	Financial Reporting in Hyperinflationary Economics
TAS 32 (revised 2019)	Financial Instruments : Presentation
TAS 33 (revised 2019)	Earnings per Share
TAS 34 (revised 2019)	Interim Financial Reporting
TAS 36 (revised 2019)	Impairment of Assets
TAS 37 (revised 2019)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2019)	Intangible assets
TAS 40 (revised 2019)	Investment Property
TAS 41 (revised 2019)	Agriculture

Thai Financial Reporting Standard

TFRS 1 (revised 2019)	First-time Adoption of Thai Financial Reporting Standards
TFRS 2 (revised 2019)	Share-Based Payments
TFRS 3 (revised 2019)	Business Combinations
TFRS 4 (revised 2019)	Insurance Contracts
TFRS 5 (revised 2019)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2019)	Exploration for and Evaluation of Mineral Resources
TFRS 7 (revised 2019)	Financial Instruments : Disclosures

3. ADOPTION OF NEW ACCOUNTING STANDARDS EFFECTIVE IN THE CURRENT YEAR (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted (Con't)

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2020 (Con't)

Thai Financial Reporting Standard (Con't)

TFRS 8 (revised 2019)	Operating Segments
TFRS 9 (revised 2019)	Financial Instruments
TFRS 10 (revised 2019)	Consolidated Financial Statements
TFRS 11 (revised 2019)	Joint Arrangements
TFRS 12 (revised 2019)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2019)	Fair Value Measurement
TFRS 15 (revised 2019)	Revenue from Contracts with Customers
TFRS 16	Leases

Interpretations

TSIC 10 (revised 2019)	Government Assistance - No Specific Relation to Operating Activities
TSIC 25 (revised 2019)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 29 (revised 2019)	Service Concession Arrangements: Disclosures
TSIC 32 (revised 2019)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2019)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 5 (revised 2019)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2019)	Applying the Restatement Approach under TAS 29 (revised 2019) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2019)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2019)	Service Concession Arrangements
TFRIC 14 (revised 2019)	TAS 19 (revised 2019) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Interpretations

TFRIC 16 (revised 2019)	Hedges of a Net Investment in a Foreign Operation
TFRIC 17 (revised 2019)	Distributions of Non-cash Assets to Owners
TFRIC 19 (revised 2019)	Extinguishing Financial Liabilities with Equity Instruments
TFRIC 20 (revised 2019)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2019)	Levies
TFRIC 22 (revised 2019)	Foreign Currency Transactions and Advance Consideration
TFRIC 23	Uncertainty over Income Tax Treatments

3. ADOPTION OF NEW ACCOUNTING STANDARDS EFFECTIVE IN THE CURRENT YEAR (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted (Con't)

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2020 (Con't)

Accounting Treatment Guidance

For Financial Instruments and Disclosures of Insurance Company

For Exception for acquisition of business under common control when adopt TFRS for the first time

The above-mentioned standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of accounting standards and clarifications directed towards disclosures in the notes to financial statements. The management of the Company and its subsidiaries believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

The set of TFRSs related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Thai Accounting Standards

TAS 32 (revised 2019) Financial Instruments: Presentation

Thai Financial Reporting Standard

TFRS 7 (revised 2019) Financial Instruments: Disclosures

TFRS 9 (revised 2019) Financial Instruments

Interpretations

TFRIC 16 (revised 2019) Hedges of a Net Investment in a Foreign Operation

TFRIC 19 (revised 2019) 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 amortized 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 as follows:

3. ADOPTION OF NEW ACCOUNTING STANDARDS EFFECTIVE IN THE CURRENT YEAR (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted (Con't)

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2020 (Con't)

Thai Accounting Standard

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

The management of the Company and its subsidiaries expect that the adoption of these accounting standards to result in the following adjustments.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 (revised 2018) 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 recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value. However, accounting by lessors under TFRS 16 is substantially unchanged from TAS 17 (revised 2018). Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17 (revised 2018).

The management of the Company and its subsidiaries are still evaluating the possible impact on the financial statements in the year in which the set of TFRSs related to financial instruments will be applied.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Recognition of revenues

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Company and its subsidiaries expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.1 Recognition of revenues (Con't)

The recognized revenue which is not yet due per the contracts has been presented under the caption of "Contract asset" in the statement of financial position. The amounts recognized as contract assets are re-classified to other receivables when the Company's and its subsidiaries' right to consideration is unconditional.

The obligation to provide to a customer for which the Company and its subsidiaries have received from the customer is presented under the caption of "Contract liability" in the statement of financial position. Contract liabilities are recognized as revenue when the Company and its subsidiaries perform under the contract.

Sales of goods and service rendered

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers.

Service income represent service income from rental of space for advertising signage, procurement of space, production and installation of advertising media and are recognized when services have been rendered taking into account the stage completion.

Rental income is recognizes on a straight-line basis over the term of the lease on an accrual basis.

Interest income and dividend

Interest income is recognized on a time proportion basis that takes into account of the effective yield on the assets.

Dividend income is recognized when the right to receive dividend is established.

Others income

Other operating income are recognized when the economic benefit flows to the entity and the earnings process is complete

4.2 Cash and cash equivalents

Cash and cash equivalent consist of cash on hand, bank deposits with financial institution with an original maturities of 3 month or less, which are not restricted to any use and all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and including call notes receivable and term notes receivable maturing within 3 months or less and not subject to withdrawal restrictions.

Time deposits with maturity exceed 3 months but less than 12 months are recorded as current investment.

4.3 Cash at bank held as collateral

Cash at bank that have restricted in use are presented separately as "Deposit at bank held as collateral" under non-current assets in the statement of financial position.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.4 Trade accounts and other current receivables and allowance of doubtful accounts**

Trade accounts and other current receivables are stated at the net realizable value net from the allowance of doubtful accounts.

The Company and its subsidiaries set up an allowance for doubtful accounts based on the estimated collection losses that may incur in collection of receivables. The allowance is based on collection experience, analysis of debtor aging and review of the current financial status of receivables outstanding as the reporting date.

4.5 Inventory

Inventory are valued at the lower of cost or net realizable value, and is charged to vessel costs of goods sold whenever consumed.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Allowance for diminution in inventory value is provided, where necessary, for slow-moving and deteriorated inventory based on current condition of the inventory and for the cost higher than net realizable value.

4.6 Investment**4.6.1 Temporary investment in securities for sale**

Temporary investment in marketable equity securities and open-end funds which are intended to be held for sale are classified as current assets and are presented at fair value. Unrealized gain or loss from adjusting the fair value of securities for sale are recognized as income or expense in the profit or loss.

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.

4.6.2 Investments in subsidiaries and associates in the separate financial statements are measured at cost net of impairment losses (if any).**4.6.3 Investments in associated company included in the consolidated financial statements are accounted for by equity method.****4.6.4 Long - term investments in non-marketable securities held as "general investment" are valued at cost, net of allowance for impairment of investments (if any). Impairment loss of all investments is recognized as expense in the profit or loss.**

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

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

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognized as income or expenses in the profit or loss. If the Company disposes only part of the investment, the carrying value per share used to calculate the cost of the portion sold is determined using the weighted average method.

4.7 Investment property

Investment property are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes also includes property that is being constructed or developed for future use as investment property.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs and presented in the statement of financial position at fair value.

The Company and its subsidiaries recognize gain or loss arising from change in the fair value of investment property in profit or loss for the period in which it arises. The Company and its subsidiaries shall measure the investment property at fair value at least once a year.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

4.8 Property Plant and Equipment

Land is presented at cost amount net allowance for impairment loss (if any).

Plant and equipment are presented at cost less from accumulated depreciation and net allowance for impairment loss (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of land, premises and equipment have different useful lives, they are accounted for as separate items (major components) of lands, premises and equipment.

Decommissioning costs are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation is calculated on a straight-line basis over the expected period of the decommissioning.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.8 Property Plant and Equipment (Con't)

Expenditure for additions, replacement and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

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 from disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognized.

The Company and its subsidiaries calculate depreciation for all assets, after deducting residual value, on the straight-line basis over the estimated useful lives as follows:-

Building and condominium	20	years
Building improvements	5	years
Furniture, fixtures and office equipment	3 - 5	years
Motor vehicles and vehicles under long - term lease agreements	5	years
Billboard and Light emitting diode stands	5 - 20	years
Improvement and electricity of billboard and Light emitting diode stands	5	years

The Company and its subsidiaries no depreciation is provided for land and provided on assets under construction and installation.

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

4.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are treated as expenses in the period these are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.10 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiaries undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated statement of position as an intangible asset. Goodwill on acquisitions of subsidiaries is included in investments in subsidiaries and is tested for impairment as part of the overall balance in the separate financial statements.

Separately recognized goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.11 Intangible assets and amortization**

Intangible assets that are acquired by the Company and have finite useful lives are presented at historical cost net of accumulated amortization and net allowance for impairment (if any).

Intangible assets with finite lives are amortized on a systematic basis by the straight-line method, over the economic useful life from the date that they are available for use and tested for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization of intangible assets are based on their economic useful lives as follows.-

Software licenses	3 - 5	years
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4.12 Employee benefits**4.12.1 Short - term employee benefits**

Short - term employee benefit obligations, which include salary, wages, bonuses and contributions to the social security fund and provident fund, are measured on an undiscounted basis and are recognized as expenses when incurred.

4.12.2 Defined contribution plans

The Company, its subsidiaries, and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the contributions of the Company and its subsidiaries are recognised as expenses when incurred.

4.12.3 Defined benefit plan

The retirement benefit is a defined benefit plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefit is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in comprehensive income or loss. Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.13 Debentures**

Debentures are initially recorded at cost by calculating from the fair value of the money received, which comprised of the fund received net by the direct costs from the issuances of debentures such as the management fee, debenture holder's representatives trustee appointment fee and the fee for financial advisor for debenture issuances. Such costs are amortized as expenses using the straight-line method, which is not significantly differ from the effective rate method. The said expenses would be recorded over various periods throughout the periods of debentures according to each period's outstanding value of debentures. Interest bearing liabilities are presented at cost and expenses related to the occurrence of liabilities are recorded as expenses for the year.

4.14 Provision

A provision is recognized in the statement of financial position when the Company and its subsidiaries have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Company and its subsidiaries recorded provision for decommissioning cost whenever it is probable that there is an obligation as a result of the past event and reliable amount of obligation.

Decommissioning costs is based on discounting the expected future cash flows of provision for decommissioning costs. The estimates of decommissioning costs have been determined based on reviews and estimates by the Company and its subsidiaries' own engineers and managerial judgment.

4.15 Treasury stock

When share capital recognized as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognized as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, "Surplus on treasury shares". Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

4.16 Dividend

Dividend to the Company's shareholders is recognised as a liability in the consolidated and company financial statements in the period in which the interim dividends are approved by the Board of Directors and the annual dividends are approved by the Company's shareholders.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.17 Transactions in foreign currencies**

Transactions in foreign currencies are converted into Baht as the functional currency at the rates of exchange on the transactions date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted into Baht at the exchange rate on that date. Gain or losses on exchange rates are recognized as income or expense for the reporting period.

4.18 Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that they relate to a business combination, or items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax

The Company and its subsidiary provide income tax 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 tax

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

The Company and its subsidiary 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.

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

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 records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.18 Income tax (Con't)**

In determining the amount of current and deferred tax, the Company and its subsidiaries takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company and its subsidiaries believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company and its subsidiaries to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

4.19 Basic Earnings per share

Basic earnings per share is determined by dividing the net income for the year by the number of weighted-average common shares issued and paid-up during the year, adjusted for own shares held (if any).

4.20 Related Party Transactions

Related parties comprise individuals or enterprises that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company. They also include associates companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations, including the close family members who can persuade or have power to persuade to act in compliance with said persons and businesses that said persons who have control power or significant influence, either directly or indirectly.

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

4.21 Impairment

The Company and its subsidiaries assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company and its subsidiaries estimates the asset's recoverable amount.

The recoverable amount of assets is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

The Company and its subsidiaries are recognized impairment loss in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.21 Impairment (Con't)

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company and its subsidiaries estimate the asset's recoverable amount in which case an impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.22 Operating lease

Where is the lessee

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense on straight - line method over the lease term.

Where is the lessor

The Company and its subsidiaries present assets for lease under operating lease contract in the statement of financial position according to the nature of the assets. Income from operating lease is recognized as income over the lease term.

4.23 Finance lease

Finance lease are the leases in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company. At inception, the fair value of the leased assets is recorded together with the obligations after netting deferred interest. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest, finance charge, or depreciation are recognized in profit or loss.

4.24 Operating segment

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

4.25 Financial Instruments

Financial assets carried on the statement of financial position include cash and cash equivalents, short-term investments, trade accounts receivable, and loans to related parties and financial liabilities carried on the statement of financial position include bank overdrafts and short-term loans, trade accounts payable, loans from related parties, and long-term loans. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.26 Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Methodology of fair value measurement depends upon characteristics of the financial instruments. For the financial instruments which are regarded as trade in an active market, fair value has been determined by the latest quoted market price. If however the appropriate quoted market price cannot be determined, the fair value is determined using an appropriate valuation technique.

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13, Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows.-

Level 1 : Use of quoted market prices in an observable active market for such assets or liabilities (unadjusted)

Level 2 : Use of other observable inputs for such assets or liabilities, whether directly or indirectly

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

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.27 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, thus, the actual results may differ from carrying amounts of assets and liabilities based on the estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

Significant accounting judgments and estimates are as follow.-

4.27.1 Revenue from contracts with customers

Identification of performance obligations :

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.27 Significant accounting judgments and estimates (Cont')****4.27.1 Revenue from contracts with customers (Cont')**

Determination of timing of revenue recognition :

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company and its subsidiary(ies) recognize revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognized at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Costs to obtain contracts :

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortization method should be used.

4.24.2 Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

4.27.3 Allowance for doubtful accounts

Proceeds from hotel/resort operations, mainly consisting of room sale, food and beverage sales and related services, are recognized on the basis of the invoiced value, after deduction of discount, value added tax and service charge.

4.27.4 Impairment of investments

The Company and its subsidiaries treat investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.27 Significant accounting judgments and estimates (Cont')

4.27.5 Investment property

In determining the fair value disclosure of investment property, the management used the income approach supported by current and previous valuations by an independent appraiser.

4.27.6 Property plant and equipment and depreciation

In calculating depreciation on building and equipment, the management estimates useful lives and residual values of the Company's building and equipment and reviews estimated useful lives and salvage values if there are any changes.

4.27.7 Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be recognized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

4.27.8 Impairment of goodwill estimates

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

4.27.9 Impairment

The management is required to review assets for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavorable regulatory and court decisions that impact the business.

The impairment analysis of property, plant and equipment, investment property, right-of-use assets, intangible assets and goodwill requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**4.27 Significant accounting judgments and estimates (Cont')****4.27.10 Employee benefit**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate and mortality rate.

4.27.11 Assets retirement obligation

Provision for expenses to be incurred with respect to the retirement of networks located on lease area is set by using estimates of the present value of such expenses, based on the average of actual retirement expenses incurred in the past. Such provision is recorded as part of right-of-use assets and amortized over the estimated useful lives. However, the actual amounts incurred may differ from the estimated amounts.

4.27.12 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

4.27.13 Fair value of financial instruments

In determining the fair value of financial instruments disclosed in the financial statements that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both), liquidity, correlation and longer-term volatility of financial instruments. Changes in assumptions about these factors could affect the fair value disclosed in the financial statements and disclosures of fair value hierarchy.

4.27.14 Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation and believes that no loss will result and therefore no contingent liabilities are recorded as at the end of reporting date. However, actual results could differ from the estimates.

5. RELATED PARTIES TRANSACTIONS

The Company has certain transactions with its subsidiaries and related parties. Part of assets, liabilities, income and expenses are incurred from such related transactions. These companies are related through common shareholdings and/or directorships as follows.-

Company' s name	Relationship	Operation		Percentage of Holdings (directly and indirectly)(%)	
		Type of business	Location	2019	2018
Subsidiaries held by the Company :					
Mantra Assets Company Limited	1	Real estate for renting and service	Thailand	99.99	99.99
Aqua Ad Public Company Limited	1	Structured billboard stand rental	Thailand	99.99	99.99
Thai Consumer Distribution Centre Company Limited	1	Warehouse rental and services	Thailand	96.13	96.13
Boardway Media Company Limited *	1	Provide advertising services	Thailand	99.99	95.00
Indirect Subsidiaries held by Subsidiaries :					
Accomplish Way Holdings Company Limited	2	Warehouse rental and services	Thailand	99.99	99.99
M.I.S Media Company Limited	2	Structured billboard stand rental	Thailand	99.99	99.99
S.Thana Media Company Limited	2	Structured billboard stand rental	Thailand	99.99	-
Associated held by the Company :					
Eastern Printing Public Company Limited	3	Printing business and invest- ment in other company	Thailand	40.08	39.69
Related Company :					
Spring New Corporation Company Limited	4	Mass communication service	Thailand	-	-

The nature of relationship between the Company and the related parties are as follows.-

1. Direct subsidiary
2. Indirect subsidiary
3. Associated company
4. Related company through a director of the Group is a director of such company

5. RELATED PARTIES TRANSACTIONS (Con't)

Pricing policy for each transaction are described as follows.-

Type of transactions	Pricing policies
Sale incomes and proceeds from services	Mutually agreed price which nearby with the price charged to third parties
Management fees income	Mutually agreed rate
Dividends income	Upon declaration
Other income	
Service charges and rental fees	Contract Price
Loan guarantee fee	Mutually agreed rate
Structured billboard stand rental	Mutually agreed rate
Sales promotion expenses	Mutually agreed rate
Rental of billboard advertising	Mutually agreed rate
Advertising expense	Mutually agreed rate
Interest income	In 2019, 5.24% - 6.26% p.a. and In 2018, 5.24% - 6% p.a.
Interest expense	In 2019, 5.24% - 5.60% p.a.

5.1 The significant transactions with related parties as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Subsidiaries</u>				
Management fees income	-	-	8,900	8,400
Others income	-	-	8,642	8,463
Interest income	-	-	56,241	49,956
Dividends income	-	-	94,452	136,103
Interest expenses	-	-	1,628	-
Loan guarantee fee	-	-	358	-
<u>Associated company</u>				
Dividends income	-	-	36,938	42,228
<u>Related company</u>				
Proceeds from services	16,016	27,083	-	-
Sales promotion expenses	14,896	18,620	-	-

5. RELATED PARTIES TRANSACTIONS (Con't)

5.1 The significant transactions with related parties as follows.- (Con't)

Management's benefit expenses

The Company and its subsidiaries had salaries, bonuses, social security contributions, contributions to provident fund, other welfare and meeting allowances to their directors and management and retirement benefit recognized as expenses are as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Short - term benefits	52,834	50,380	17,230	16,111
Post - employment benefits	3,724	1,329	1,697	1,225
Total	56,558	51,709	18,927	17,336

5.2 The outstanding balance of accounts with related companies are as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Trade accounts receivable</u>				
Related company	-	4,478	-	-
<u>Other current receivable</u>				
Subsidiary	-	-	1,693	43
<u>Other current payable</u>				
Subsidiaries	-	-	25	8
Related company	-	3,724	-	-
Total	-	3,724	25	8
<u>Other non - current liabilities</u>				
Subsidiaries	-	-	1,881	1,641

5. RELATED PARTIES TRANSACTIONS (Con't)

5.2 The outstanding balance of accounts with related companies are as follows.- (Con't)

Short - term loans to subsidiaries

The movements of short - term loan to related company are as follows.-

	Unit : Thousand Baht			
	Separate			
	As at	Movement during the year		As at
	Jan 1, 2019	Increase	Receipt	Dec 31, 2019
Mantra Assets Co., Ltd.	419,150	32,600	(3,600)	448,150
Boardway Media Co., Ltd.	508,300	575,000	(279,800)	803,500
Thai Consumer Distribution Centre Co., Ltd.	-	8,700	(3,200)	5,500
Aqua Ad Pcl.	30,000	21,000	(51,000)	-
Total	957,450	637,300	(337,600)	1,257,150

The abovementioned short - term loans were granted in respect of promissory notes we due on demand charging interest at the rate of 5.24% to 6.26% per annum in 2019 and 5.24% to 6% per annum in 2018.

Short - term loans from subsidiaries

The movements of short - term loans from subsidiaries are as follows.-

	Unit : Thousand Baht			
	Separate			
	As at	Movement during the year		As at
	Jan 1, 2019	Increase	Repayments	Dec 31, 2019
Aqua Ad Pcl.	-	56,000	(56,000)	-
Thai Consumer Distribution Centre Co., Ltd.	-	127,500	(127,500)	-
Total	-	183,500	(183,500)	-

The abovementioned short - term loans were granted in respect of promissory notes were due on demand, charging interest at the rate of 5.24% - 5.60% per annum in 2019.

5. RELATED PARTIES TRANSACTIONS (Con't)

5.3 Others

5.3.1 The Company and its subsidiaries guarantee credit facilities with financial institutions are as follows.-

	Unit : Thousand Baht	
	2019	2018
Credit facilities guaranteed by the Company for subsidiaries		
Long - term loans from financial institutions	1,775,000	1,657,000
Promissory note	40,000	40,000
Bank guarantees	70,000	70,000
Bank overdraft	15,000	10,000
Hire purchase contracts	100,000	-
Credit facilities guaranteed by subsidiary for direct subsidiary		
Long - term loans from financial institutions	375,000	285,000
Bank overdraft	1,000	1,000

5.3.2 As at December 31, 2019, the Company guaranteed FX Forward contract of two subsidiaries totaling to USD 5 million.

5.3.3 The Company has pledged common shares of the associated company (EPCO) as collateral for the insurance of debentures' and bank overdraft and Long-term loans from financial institution of two subsidiaries (See Note 10 to financial statements).

5.3.4 Two subsidiaries had mortgaged their property with structure as collaterals and guaranteed each other credit facilities totaling to Baht 100 million (in 2018 : Baht 100 million) .

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Cash	169	158	15	17
Deposits at banks - Savings	96,769	28,645	60,105	13,851
- Current	57,529	15,609	137	387
Received cheques on due	3,897	1,680	-	-
Cheques payment	(271)	(2,205)	-	-
Total	158,093	43,887	60,257	14,255

7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLE - NET

Trade accounts and other current receivable consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Trade accounts receivable</u>				
Other companies	191,585	190,860	300	-
Related company	-	4,478	-	-
Notes receivable - other company	24,000	10,000	-	-
Total trade accounts receivable	215,585	205,338	300	-
<u>Less</u> Non - current account receivable	(24,000)	-	-	-
Allowance for doubtful account	(5,747)	-	-	-
Trade accounts receivable - net	185,838	205,338	300	-
<u>Other current receivable</u>				
Prepaid rental	96,374	110,498	-	-
Prepaid expense	9,355	13,264	813	1,734
Advance payments	1,981	3,436	1,735	43
Deposits	92	485	-	3
Accrued interest	1,001	82	-	-
Assets receivable - other company	9,899	-	-	-
Others	3,746	4,547	-	-
Total other current receivable	122,448	132,312	2,548	1,780
Total trade accounts and other current receivable - net	308,286	337,650	2,848	1,780

The balances of trade accounts receivable classified by aging are as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Accounts receivable not yet due	136,849	186,199	300	-
Accounts receivable over due :				
Under or equal to 3 months	27,741	8,584	-	-
Over 3 months to 6 months	10,976	4,395	-	-
Over 6 months to 12 months	4,851	6,160	-	-
Over 12 months	11,168	-	-	-
Total	191,585	205,338	300	-
<u>Less</u> Allowance for doubtful account	(5,747)	-	-	-
Net	185,838	205,338	300	-

7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLE - NET (Con't)

Allowance for doubtful accounts consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Beginning balance for the year	-	-	-	-
Increase from business combination	1,752	-	-	-
<u>Add</u> Increase during year	4,156	20	-	-
<u>Less</u> Reversal during year	(161)	(20)	-	-
Ending balance for the year	5,747	-	-	-

As at December 31, 2019 a debtor of a subsidiary (Boardway Media Co., Ltd) had outstanding balance aged by number of days in range over 6 months to 12 months and over 12 months totaling Baht 13.63 million. The debtor has entered into a memorandum of agreement with the subsidiary to perform its total debt within December 2020. The Company's management believe that the debtor was able to comply with conditions stipulate in the memorandum, thus the management did not provide allowance for doubtful debt in the financial statements.

As at December 31, 2019, a debtor of the subsidiary (Mantra Assets Co., Ltd.) had entered into an amendment of Lease and Services Agreement to extend the payment period for the post - dated cheque due in December 2019, amounting to Baht 24 million to December 2021 and charge the interest at the rate of 8% per annum whereby the debtor shall comply with additional conditions stipulated in the amended agreement. The Company has reclassified the post - dated cheque to non - current account receivable in the statement of financial position.

8. DEPOSITS AT FINANCIAL INSTITUTIONS HELD ON COLLATERAL

Deposits at financial institutions held on collateral consist of.-

Type of deposits	Interest Rate (% per annum)	Collateral for	Unit : Thousand Baht			
			Consolidated		Separate	
			2019	2018	2019	2018
12 months fixed deposits	0.90	Credit facilities	9,097	9,097	97	97

The Company and its subsidiaries had pledged fix deposits at bank as collaterals for the letters of guarantee issued by the bank and secure a loan from a bank.

9. HIRE - PURCHASE AND FINANCE LEASE CONTRACT RECEIVABLES - NET

Hire - purchase and finance lease contract receivables consist of.-

	Unit : Thousand Baht	
	Consolidated and Separate	
	2019	2018
Hire - purchase and finance lease contract receivables		
Finance lease contract receivables	2,979	2,979
<u>Less</u> Unearned interest income	(223)	(223)
Total	2,756	2,756
<u>Less</u> Allowance for doubtful accounts	(2,756)	(2,756)
Net	-	-

10. INVESTMENTS IN ASSOCIATED COMPANY

Investments in associated company consist of.-

Company	Type of business	Paid - up share capital		Percentage of holdings	
				(%)	
		2019	2018	2019	2018
Associated company					
Eastern Printing Public Company Limited	Printing business and investment in solar power energy business	921,573	921,573	40.08	39.69

Investment in associates are consolidated and separate financial statements consist of.-

Company	Unit : Thousand Baht							
	Consolidated and Separate							
	Cost Method		Equity Method		Dividends received		Share of profit	
	2019	2018	2019	2018	2019	2018	2019	2018
Eastern Printing Public Company Limiter	778,285	767,593	1,276,550	984,666	36,938	42,228	261,210	136,047

10. INVESTMENTS IN ASSOCIATED COMPANY (Con't)

The share in net assets proportionally and share of operating results of associated company in the consolidated financial statement are as follow.-

	Unit : Thousand Baht	
	Consolidated	
	As at December 31,	
	2019	2018
<u>Statement of financial position</u>		
Total assets	11,555,421	10,599,332
Total liabilities	7,658,035	7,319,065
Net assets	3,897,386	3,280,267

	Unit : Thousand Baht	
	Consolidated	
	For the year ended	
	2019	2018
<u>Statement of comprehensive income</u>		
Total revenues	2,103,727	1,184,664
Net profit	901,734	408,690
Other comprehensive income (loss)	142,020	(51,317)
Total comprehensive income	1,043,753	357,373

Movements of the investments in associated company account during the year end period ended December 31, 2019 are as follows.-

1. In January 2019, the Company has additionally acquired 3,936,300 common shares of Eastern Printing Plc. at the average price of Baht 2.91 per share totaling Baht 11.46 million. After the acquisition, the Company's percentage of shareholding in such associated company was 40.12% of its authorized share capital.
2. On March 1, 2019, the Company has disposed 364,100 common shares of Eastern Printing Plc., at the average price of Baht 3.11 per share totaling Baht 1.13 million, and recorded gain from disposal amounting to Baht 0.36 million. After that, the Company's percentage of shareholding in such associated company was 40.08% of its authorized share capital.

11. INVESTMENTS IN ASSOCIATED COMPANY (Con't)

Movements of the investments in associated company account during the year end period ended December 31, 2019 are as follows.- (Con't)

- In 2018, the Company received warrants representing the right to purchase common shares (EPCO-W3) of Eastern Printing Plc., amount 40,604,276 units at the ratio of 1 existing common shares to 1 unit of warrant at the price of Baht 5 per share. The exercise right was valid for 2 years from the issued date of warrants on December 17, 2018. The first exercise date is January 31, 2019 and the last exercise date is December 16, 2020.

In 2019, the Company has fully exercised the rights of the warrants and recorded gain from disposal all warrants amounting to Baht 14.47 million in statement of comprehensive income for the year.

- At as December 31, 2019, The Company has pledged 52.03% of common shares of Eastern Printing Plc., (In 2018 : 25.94%) as collateral for the insurance of debentures and 24.09% of common shares as collateral for the Company's bank overdraft credit line and two subsidiaries long term from financial institution credit line totaling Baht 133 million (See Note 16 and 18 to the financial statements).

11. INVESTMENTS IN SUBSIDIARIES - NET

Investment in subsidiaries consist of.-

	Paid-up share capital		Percentage of holding (%)		Unit : Thousand Baht			
					Separate			
	2019	2018	2019	2018	Cost Method		Dividends received	
					2019	2018	2019	2018
Subsidiaries								
Mantra Asset Co., Ltd.	10,000	10,000	99.99	99.99	808	808	20,000	20,000
Aqua Ad Public Co., Ltd.	404,431	404,431	99.99	99.99	483,227	483,227	52,575	111,218
Thai Consumer Distribution								
Centre Co., Ltd.	169,400	169,400	96.13	96.13	778,243	778,243	3,257	4,885
Boardway Media Co., Ltd.	98,000	98,000	99.99	95.00	689,664	651,728	18,620	-
Investments in subsidiaries - net					1,951,942	1,914,006	94,452	136,103

Movement of investment in subsidiaries for the year ended December 31, 2019, are as follows.-

	Unit : Thousand Baht	
	Separate	
	Cost Method	
Balance as at January 1, 2019	1,914,006	
Add Acquisition of investment in subsidiary	37,936	
Balance as at December 31, 2019	1,951,942	

11. INVESTMENTS IN SUBSIDIARIES (Con't)

On June 11, 2019, the Company has additionally acquired additional 48,999 shares of Boardway Media Co., Ltd. from its existing shareholder in accordance with the right to sell shares agreement dated February 20, 2019 at Baht 774.22 per share totaling Baht 37.94 million. After the acquisition, the percentage of shareholding in such subsidiary has changed to 99.99% of its authorized and paid up share capital. The Company has fully paid for the acquired shares. From the acquisition, there was a difference between the fair value of the identifiable assets acquired and liabilities assumed and the acquired price amounting Baht 4.85 million included in "Surplus from business combination under common control" in the statement of change in shareholders' equity.

Investments of direct subsidiary

Boardway Media Co., Ltd.

On July 26, 2019, at the Board of Directors' meeting of the Company No. 6/2019 and of Boardway Media Co., Ltd. "BWM" No. 5/2019, it was approved the subsidiary to acquire common shares of S. Thana Media Co., Ltd. "STN" rather than the Company to be in consistent with the Group's business operation at 99.99 % from the existing shareholder at the price of Baht 7,600.30 per share with total investment value of Baht 380 million. The existing shareholders did not have any relationship and/or connected to the Company's director's management, major shareholders or those who have control over the Company and its subsidiary.

Book Value of the assets and liabilities of the S. Thana Media Co., Ltd., as at July 31, 2019 which the acquisition date are as follows.-

	Unit : Thousand Baht
	Book Value
Cash and cash equivalents	8,539
Trade accounts and other current payable - net	25,143
Other current assets	1,552
Deferred tax assets	693
Equipment - net	16,461
Other non - current assets	2,757
Trade account and other account payables	(10,387)
Liabilities under hire - purchase agreements	(2,253)
Accrued corporate income tax	(2,574)
Other current liabilities	(726)
Provision for employee benefits	(527)
Provision for decommissioning cost	(11,582)
Assets and liabilities at the acquisition - net	27,096
Purchase Price	380,000
Goodwill	352,904

11. INVESTMENTS IN SUBSIDIARIES (Con't)

As at 31 December 2019, the Group has been under the process of determining fair value of the acquired net assets and reviewing purchase price allocation. Therefore, the goodwill is subject to further adjustments depending on the determination of fair value and the result of the purchase price allocation, which is expected to be finalized within 12 months from the acquisition date. The acquisition price was approximate to the price appraised by an independent appraiser by the discounted cashflow method.

11.2 Goodwill are as follows:

	Unit : Thousand Baht	
	Consolidate	
	2019	2018
Opening Balance	385,924	385,924
Additional of the year	352,904	-
Ending balance	738,828	385,924

For the purpose of impairment testing of investments in subsidiaries, if any such indication exists, the Company determined the recoverable amount based on its value in use, determined by discounting the future cash flows to be generated from the continuing operations of each subsidiary by reference to 5 years of financial budgeted forecasts.

The key assumptions used in the estimation of the recoverable amount were revenue growth, gross profit margins, overhead growth and terminal growth rate applied to the forecasted cash flows in the model using discount rate 9% to 10%. The management's assessment of the value in use is judgmental in nature because its forecasted results is based on current economic situation while future economic outcomes is uncertain. The Company management believes that Goodwill has no impairment loss.

12. OTHER LONG - TERM INVESTMENTS

Other long - term investments consist of:-

	Paid-up share capital	Percentage of holdings	Unit : Thousand Baht	
			Consolidated and Separate	
			Cost method	
			2019	2018
Aura Dream Co., Ltd.	500,000	5.98	29,900	29,900

13. INVESTMENT PROPERTY

Investment property of the subsidiaries are as follows.-

	Unit : Thousand Baht	
	Consolidated	
	2019	2018
Land, building, electricity system and other facilities for lease and service	3,931,057	3,853,043
Land received from debt settlement	3,000	3,000
Total	3,934,057	3,856,043

13.1 Land, building, electricity system and other facilities for lease and service consist of.-

	Unit : Thousand Baht	
	Consolidated	
	2019	2018
Fair value		
Beginning as at January 1	3,853,043	3,837,929
Additional during the year	-	99
Transferred in construction in progress	(607)	-
Gain (loss) from change in fair value	78,621	15,015
Balance as at December 31	3,931,057	3,853,043

The fair value of the investment property of the subsidiaries and indirect subsidiaries as at December 31, 2019 was valued by an independent appraiser who is a professional expert and has experience in the location and type of appraised investment property using income approach method reporting dated February 20, 2020.

13.2 The abovementioned land received from debt settlement are as follows.-

	Unit : Thousand Baht	
	Consolidated	
	2019	2018
Fair Value		
Balance as at January 1, 2019		3,000
Profit (loss) from changes in fair value		-
Balance as at December 31, 2019		3,000

The abovementioned land was land acquired by the subsidiary from its debt settlement in a lawsuit, claim for investment in rights which has not been determined for future utilization. On February 21, 2017, the subsidiary has appraised its land by an independent appraiser at fair value by comparative market price method. The fair value of the land was the same as last year.

14. PROPERTY, PLANT AND EQUIPMENT - NET

Property plant and equipment consist of.-

	Unit : Thousand Baht									
	Consolidated									
	Land	Building and condominium	Building improvements	Furniture, fixtures and Equipment	Vehicles	Vehicles under long-term lease agreements	Billboard stands	Warehouse equipment	Construction in Progress	Total
Cost										
As at January 1, 2018	56,232	33,113	12,941	21,106	4,012	9,041	1,263,036	43,150	136,719	1,579,350
Acquisition during the year	-	-	55	1,321	-	-	9,489	20,107	204,553	235,525
Disposal and write off during the year	-	-	-	(565)	(1,207)	-	(18,522)	-	(17,704)	(37,998)
Transfer in and transfer out	-	-	-	-	-	-	267,527	-	(288,096)	(20,569)
Transfers to expenses	-	-	-	-	-	-	-	-	(3,575)	(3,575)
Provision for decommissioning cost	-	-	-	-	-	-	1,071	-	-	1,071
As at December 31, 2018	56,232	33,113	12,996	21,862	2,805	9,041	1,522,601	63,257	31,897	1,753,804
Accumulated depreciation										
As at January 1, 2018	-	15,611	12,316	17,717	2,254	1,507	448,060	2,485	-	499,950
Depreciation for the year	-	1,403	299	1,259	467	1,085	121,480	7,210	-	133,203
Disposal and write off during the year	-	-	-	(565)	(728)	-	(17,828)	-	-	(19,121)
Transfer out	-	-	-	-	-	-	(20,569)	-	-	(20,569)
As at December 31, 2018	-	17,014	12,615	18,411	1,993	2,592	531,143	9,695	-	593,463
Provision for impairment										
As at January 1, 2018	-	-	-	-	-	-	8,499	-	-	8,499
Allowance for impairment (reversed)	-	-	-	-	-	-	(4,621)	-	-	(4,621)
As at December 31, 2018	-	-	-	-	-	-	3,878	-	-	3,878
Net Book Value										
As at January 1, 2018	56,232	17,502	625	3,389	1,758	7,534	806,477	40,665	136,719	1,070,901
As at December 31, 2018	56,232	16,099	381	3,451	812	6,449	987,580	53,562	31,897	1,156,463

14. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Unit : Thousand Baht										
Consolidated										
	Land	Building and condominium	Building improvements	Furniture, fixtures and Equipment	Vehicles	Vehicles under long-term lease agreements	Billboard stands	Warehouse equipment	Construction in Progress	Total
Cost										
As at January 1, 2019	56,232	33,113	12,996	21,862	2,805	9,041	1,522,601	63,257	31,897	1,753,804
Acquisition during the year	-	-	-	792	-	3,454	159,978	9	199,713	363,946
Disposal and write off during the year	-	-	-	(121)	-	-	(161,587)	-	(17,618)	(179,326)
Transfer in and transfer out	-	-	-	-	3,350	(3,350)	136,715	-	(144,177)	(7,462)
Transfers to expenses	-	-	-	-	-	-	-	-	(4,386)	(4,386)
Increase from business combination	-	-	-	382	4,390	-	130,616	-	2,757	138,145
Provision for decommissioning cost	-	-	-	-	-	-	(816)	-	-	(816)
As at December 31, 2019	56,232	33,113	12,996	22,915	10,545	9,145	1,787,507	63,266	68,186	2,063,905
Accumulated depreciation										
As at January 1, 2019	-	17,014	12,615	18,411	1,993	2,592	531,143	9,695	-	593,463
Depreciation for the year	-	1,402	282	1,334	652	1,643	127,588	7,546	-	140,447
Disposal and write off during the year	-	-	-	(113)	-	-	(18,410)	-	-	(18,523)
Transfer out	-	-	-	-	1,205	(1,205)	(7,462)	-	-	(7,462)
Increase from business combination	-	-	-	214	960	-	120,510	-	-	121,684
As at December 31, 2019	-	18,416	12,897	19,846	4,810	3,030	753,369	17,241	-	829,609
Provision for impairment										
As at January 1, 2019	-	-	-	-	-	-	3,878	-	-	3,878
Allowance for impairment (reversed)	-	-	-	-	-	-	-	-	-	-
As at December 31, 2019	-	-	-	-	-	-	3,878	-	-	3,878
Net Book Value										
As at January 1, 2019	56,232	16,099	381	3,451	812	6,449	987,580	53,562	31,897	1,156,463
As at December 31, 2019	56,232	14,697	99	3,609	5,735	6,115	1,030,260	46,025	68,186	1,230,417
Depreciation for the year end December 31, consist of.-									2019	2018
Cost of services									135,134	128,690
Administrative expenses									5,313	4,513
Total									140,447	133,203

14. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Property plant and equipment consist of.- (Con't)

	Unit : Thousand Baht				
	Separate				Total
	Building and Con- dominium	Building improvements	Furniture, fixtures and Equipment	Vehicles under long- term lease agreements	
Cost					
As at January 1, 2018	38,000	11,644	7,465	5,690	62,799
Acquisition during the year	-	55	134	-	189
Write off during the year	-	-	(373)	-	(373)
As at December 31, 2018	38,000	11,699	7,226	5,690	62,615
Accumulated depreciation					
As at January 1, 2018	22,646	11,017	7,150	971	41,784
Depreciation for the year	1,647	300	166	683	2,796
Write off during the year	-	-	(373)	-	(373)
As at December 31, 2018	24,293	11,317	6,943	1,654	44,207
Net Book Value					
As at January 1, 2018	15,354	627	315	4,719	21,015
As at December 31, 2018	13,707	382	283	4,036	18,408

14. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Property plant and equipment consist of.- (Con't)

	Unit : Thousand Baht				
	Separate				
	Building and Con- dominium	Building improvements	Furniture, fixtures and Equipment	Vehicles under long- term lease agreements	Total
Cost					
As at January 1, 2019	38,000	11,699	7,226	5,690	62,615
Acquisition during the year	-	-	101	3,454	3,555
Write off during the year	-	-	(50)	-	(50)
As at December 31, 2019	38,000	11,699	7,277	9,144	66,120
Accumulated depreciation					
As at January 1, 2019	24,293	11,317	6,943	1,654	44,207
Depreciation for the year	1,647	282	145	1,375	3,449
Write off during the year	-	-	(50)	-	(50)
As at December 31, 2019	25,940	11,599	7,038	3,029	47,606
Net Book Value					
As at January 1, 2019	13,707	382	283	4,036	18,408
As at December 31, 2019	12,060	100	239	6,115	18,514
Depreciation for the year end December 31, consist of.-				2019	2018
Administrative expenses				3,449	2,796

14. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

- 14.1 In year 2019, the borrowing cost of Baht 1.50 million in the consolidated financial statement, incurred from borrowings for the project construction light emitting diode (LED) of the subsidiary. Such borrowing costs are recorded as costs of construction in progress included in addition of assets.
- 14.2 As at December 31, 2019 and 2018, land and property of the Company and its subsidiaries at cost amounting to Baht 68.31 million and carrying amount of Baht 38.85 million (2018 : Baht 40.86 million) in the consolidated financial statements and at cost amounting to Baht 38 million and carrying amount of Baht 12.06 million (2018 : Baht 13.71 million) in the separate financial statements have been mortgage as collaterals for loan facilities of a bank.
- 14.3 As at December 31, 2019 and 2018, vehicles of the Company and its subsidiaries at cost amounting to Baht 13.53 million (2018 : Baht 10.02 million) in the consolidated financial statements and Baht 9.14 million (2018 : Baht 5.69 million) in the separated financial statements and carrying amount to Baht 9.27 million (2018 : Baht 6.53 million) in the consolidated financial statements and Baht 6.12 million (2018 : Baht 4.04 million) in the separated financial statements were assets under the hire - purchase as described in Note 20 to the financial statements.
- 14.4 As at December 31, 2019, part of light emitting diode at cost value of Baht 145.50 million with net book value of Baht 137.58 million in the consolidated were assets under sale and hire-purchase back contract as described in Note 20 to the financial statements.

15. DEFERRED TAX ASSETS AND LIABILITIES

- 15.1 Deferred tax assets and liabilities are as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Deferred tax assets	72,665	65,484	40,499	41,583
Deferred tax liabilities	(492,471)	(451,565)	-	-
Net	(419,806)	(386,081)	40,499	41,583

15. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

15.2 Movements in deferred tax assets and liabilities during the year were as follows.-

	Unit : Thousand Baht				
	Consolidated				
	(Charged) Credit for the year to				
	As at Jan 1, 2019	Increase from business com- bination	Profit or loss	Other compre- hensive income	As at Dec 31, 2019
<u>Deferred tax assets</u>					
Trade accounts and other					
current receivable	(3,378)	350	181	-	(2,847)
Hire - purchase contract receivable	551	-	-	-	551
Provisions for employee benefits	3,091	105	1,368	680	5,244
Provisions for decommissioning costs	9,171	2,317	(190)	-	11,298
Deposit for rental investment property	6,115	-	1,326	-	7,441
Unused tax loss benefit	49,934	-	1,044	-	50,978
Total	65,484	2,772	3,729	680	72,665
<u>Deferred tax liabilities</u>					
Plant and equipment	(11,744)	(2,027)	178	-	(13,593)
Liabilities under hire - purchase					
agreements	-	(53)	15	-	(38)
Fair value from business combination	(30,993)	-	2,501	-	(28,492)
Investment property	(408,828)	-	(41,520)	-	(450,348)
Total	(451,565)	(2,080)	(38,826)	-	(492,471)
Net	(386,081)	692	(35,097)	680	(419,806)

15. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

15.2 Movements in deferred tax assets and liabilities during the year were as follows.- (Con't)

Unit : Thousand Baht				
Consolidated				
(Charged) Credit for the years to				
As at	Other comprehensive		As at	
Jan 1, 2018	Profit or loss	sive income	Dec 31, 2018	
<u>Deferred tax assets</u>				
Trade accounts and other current receivable	(2,465)	(913)	-	(3,378)
Hire - purchase contract receivable	555	(4)	-	551
Advance payment for share subscription	10,000	(10,000)	-	-
Investments in subsidiary	175	(175)	-	-
Provisions for employee benefits	2,411	680	-	3,091
Provision for decommissioning costs	6,652	2,519	-	9,171
Deposit for rental investments property	4,788	1,327	-	6,115
Unused tax loss benefit	36,676	13,258	-	49,934
Total	58,792	6,692	-	65,484
<u>Deferred tax liabilities</u>				
Plant and equipment	(15,377)	3,633	-	(11,744)
Fair value from business combination	(33,493)	2,500	-	(30,993)
Investment properties	(378,926)	(29,902)	-	(408,828)
Total	(427,796)	(23,769)	-	(451,565)
Net	(369,004)	(17,077)	-	(386,081)

Unit : Thousand Baht				
Separate				
(Charged) Credit for the year to				
As at	Other comprehensive		As at	
Jan 1, 2019	Profit or loss	sive income	Dec 31, 2019	
<u>Deferred tax assets</u>				
Trade accounts and other current receivable	138	-	-	138
Hire - purchase contract receivable	551	-	-	551
Provisions for employee benefits	933	445	303	1,681
Unused tax loss benefit	39,961	(1,832)	-	38,129
Total	41,583	(1,387)	303	40,499

15. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

15.2 Movements in deferred tax assets and liabilities during the year were as follows.- (Con't)

	Unit : Thousand Baht			
	Separate			
	As at	(Charged) Credit for the year to		As at
	Jan 1, 2018	Profit or loss	Other compre- hensive income	Dec 31, 2018
<u>Deferred tax assets</u>				
Trade accounts and other current receivable	138	-	-	138
Hire - purchase contract receivable	556	(5)	-	551
Investments in subsidiary	175	(175)	-	-
Advance payment for share subscription	4,340	(4,340)	-	-
Provisions for employee benefits	652	281	-	933
Unused tax loss benefit	34,443	5,518	-	39,961
Total	40,304	1,279	-	41,583

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

Details of the above - mention unrecognized tax losses carried forward are summarized as below :

	Unit : Thousand Baht			
	Consolidate		Separate	
	2019	2018	2019	2018
Year 2020	31,872	34,672	31,871	33,703
Year 2021	740	740	740	740
Year 2022	8,242	8,242	-	-
Year 2023	6,280	6,280	5,518	5,518
Year 2024	3,844	-	-	-
Total	50,978	49,934	38,129	33,961

15. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

15.4 Income tax (income) expenses for the year are as follows.-

15.4.1 Income tax recognized in profit or loss

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Current income tax :				
Corporate income tax charge for the year	39,747	29,104	-	-
Deferred tax :				
Deferred tax expense relating to the				
Original and reversal of temporary				
differences	35,097	17,077	1,387	(1,279)
Income tax (income) expenses	74,844	46,181	1,387	(1,279)

	Unit : Thousand Baht					
	Consolidated					
	2019			2018		
	Tax (ex- pense)			Tax (ex- pense)		
	Before tax	income	Net tax	Before tax	income	Net tax
Deferred tax for :						
Defined benefit (loss) plan						
remeasurement employee						
benefit - net from income tax	3,400	(680)	2,720	-	-	-

	Unit : Thousand Baht					
	Separate					
	2019			2018		
	Tax (ex- pense)			Tax (ex- pense)		
	Before tax	income	Net tax	Before tax	income	Net tax
Deferred tax for :						
Defined benefit (loss) plan						
remeasurement employee						
benefit - net from income tax	1,514	(303)	1,211	-	-	-

15. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

15.4.2 Reconciliation for effective tax rate

	Consolidated			
	2019		2018	
	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)
Profit before income tax		381,435		308,154
Tax expense	20	76,287	20	61,631
Tax effect of expenses that are not deductible for tax purposes		(1,443)		(15,450)
Tax expense (effective rate)	19.62	74,844	14.99	46,181

	Separate			
	2019		2018	
	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)
Profit before income tax		123,765		169,764
Tax expense	20	24,753	20	33,953
Tax effect of expenses that are not deductible for tax purposes		(23,366)		(35,232)
Tax expense (effective rate)	-	1,387	-	(1,279)

15.5 Tax rate

Current income tax

The Company and its subsidiaries calculated their tax from the net profit after adjustment for non-taxable expenses and reserves in accordance with the Revenue Code.

The main adjustment items are provision for employee benefits, revenue and expenses were not in compliance with the Revenue Code.

Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date as disclosed in Note 4.18 to the financial statement.

16. BANK OVERDRAFT AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdraft and short - term loans from financial institutions, consist of.-

	Unit : Thousand Baht					
	Interest Rate (%)		Consolidated		Separate	
	2019	2018	2019	2018	2019	2018
Bank overdraft	6.87	7.12	613	1,274	-	-
Promissory notes	4	4.25	40,000	125,000	-	85,000
Total			40,613	126,274	-	85,000

As at December 31, 2019 and 2018, the Company and its subsidiaries had overdrafts and other credit facilities with several banks amounting of Baht 71 million (2018 : Baht 151 million) in the consolidated and Baht 15 million (2018 : Baht 100 million) in the separate financial statements.

17. TRADE ACCOUNTS AND OTHER CURRENT PAYABLE

Trade accounts and other current payable consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Trade accounts payable</u>				
Other companies	18,298	14,226	-	-
<u>Other current payables</u>				
Accrued expense	53,533	52,876	2,374	1,293
Accrued bonus	1,526	1,250	1,526	-
Advance received for advertising income	4,758	3,304	62	-
Advance income	5,885	2,116	30	30
Retentions	414	443	-	-
Assets payable	9,876	9,484	-	-
Other	358	4,976	25	8
Total Other current payables	76,350	74,449	4,017	1,331
Total trade accounts and other current payable	94,648	88,675	4,017	1,331

18. LONG - TERM LOANS FROM FINANCIAL INSTITUTION - NET

Long - term loans from financial institution consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Beginning balance for the year	1,690,603	2,067,609	425,110	625,030
<u>Add</u> Increase during the year	543,880	-	439,480	-
<u>Less</u> Paid during the year	(408,565)	(377,006)	(226,284)	(199,920)
Total	1,825,918	1,690,603	638,306	425,110
<u>Less</u> Current portion	(446,239)	(382,194)	(215,040)	(199,920)
Net	1,379,679	1,308,409	423,266	225,190

THE COMPANY

The Company had entered into loan agreement with two bank are as follows.-

The first Facilities of Baht 700 million. The details and conditions are as follows.-

Facility line (Million Baht)	Loan balance		Interest rate (%)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
300	33.44	Invest in Boardway Media Co.,Ltd	MLR - 2	Payments of principal and interest by monthly installment of Baht 8.33 million from May 2017 for a period of 36 monthly as stipulated in the loan agreement
400	191.75	Repayment for bill of exchange	MLR - 2	Payments of principal and interest by monthly installment of Baht 8.33 million from December 2017 for a period of 48 monthly as stipulated in the loan agreement
700	225.19			

The collaterals of the abovementioned loans are as follows.-

1. Transfer its right to receive dividend from all investments of the Company which a bank will claim the right of such transfer when default.
2. Mortgage of condominium unit on floor 21, RS Tower, own by the Company.
3. Pledge shares of Boardway Media Co., Ltd.'s shares. (90% of its authorized and paid-up capital)
4. Mortgage in second order of title deeds 2 plots together with structures of Accomplish Way Holding Co., Ltd.

18. LONG - TERM LOANS FROM FINANCIAL INSTITUTION - NET (Con't)

The COMPANY

The second Facilities of Baht 439.48 million. The details and conditions are as follows.-

Facility Credit line (Million Baht)	Loan balance		Interest rate (% p.a.)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
149.28	147.08	Invest in Light emitting diode (LED) and invest in Boardway Media Co., Ltd.	MLR - 2.60	Payments of principal and interest by monthly installment of Baht 2.80 million from December 2019 for a period of 60 monthly as stipulated in the loan agreement.
130.00	115.55	Repayment for debentures and bill of exchange	MLR - 2.60	Payments of principal and interest by monthly installment of Baht 2.50 million from June 2019 for a period of 60 monthly as stipulated in the loan agreement.
160.20	150.48	Repayment for debentures	MLR - 2.60	Payments of principal and interest by monthly installment of Baht 3 million from September 2019 for a period of 60 monthly as stipulated in the loan agreement.
439.48	413.11			

On September 11, 2019, the Company and the financial institution have entered into a memorandum of agreement to change the interest rate from MLR - 2.60 to MLR - 1.60 and when the loan principles of the company and the subsidiary are less than Baht 1,300 million, the interest rate shall be adjusted to MLR - 2.60.

The collaterals of the abovementioned loans are as follows.-

1. Pledge shares of Boardway Media Co., Ltd.'s shares. (99.99% of its authorized and paid-up capital)
2. Mortgage in second order of title deeds 18 plots together with structures of Thai Consumer Distribution Centre Co., Ltd

18. LONG - TERM LOANS FROM FINANCIAL INSTITUTION - NET (Con't)

DIRECT SUBSIDIARIES

Thai Consumer Distribution Centre Co., Ltd

Subsidiary had entered into long - term loan agreement with a bank with total facilities of Baht 1,657 million. The details and conditions are as follows.-

Facility line (Million Baht)	Loan balance		Interest rate (%)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
1,657	965.02	The Company's financial restructuring	Year 1 - 5 4.125 Year 6 - 10 MLR - 3	Payments of principal and interest installment of Baht 16.40 million from March 2015 for a period of 9 years 9 monthly as stipulated in the loan agreement

The collaterals of the abovementioned loans are as follows.-

1. Mortgage of 18 plots of land with building on premises of subsidiary.
2. The assignment of right to service money under the lease and service agreements.
3. The endorsement of insurance.
4. Aqua Corporation Public Co, Ltd. guarantee in full.

Aqua Ad Public Company Limited

Subsidiary had entered into long - term loan agreement with a bank with total facilities of Baht 28 million. The details and conditions are as follows.-

Facility line (Million Baht)	Loan balance		Interest rate (%)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
28.00	14.40	Invest in Light emitting diode	MLR - 1	Payments of principal and interest by monthly installment of Baht 0.78 million from January 2020 for a period of 36 monthly as stipulated in the loan agreement.

The collaterals of the abovementioned loans are as follows.-

1. 19 million common shares of Eastern Printing Public Company Limited (EPCO).
2. Transfer right receive fees amount from the agreement of advertising media at Suvarnabhumi Airport's exit of motorway, Agreement No.BB2561/07-001.
3. Aqua Corporation Public Co, Ltd. guarantee in full.

18. LONG - TERM LOANS FROM FINANCIAL INSTITUTION - NET (Con't)

DIRECT SUBSIDIARIES (Con't)

Boardway Media Company Limited

Subsidiary had entered into long - term loan agreement with a bank with total facilities of Baht 90 million. The details and conditions are as follows.-

Facility line (Million Baht)	Loan balance		Interest rate (%)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
90.00	90.00	Working Capital	MLR - 1	Payments of principal and interest by monthly installment of Baht 2.50 million from January 2020 for a period of 36 monthly as stipulated in the loan agreement.

The collaterals of the abovementioned loans are as follows.-

1. 60 million common shares of Eastern Printing Public Company Limited (EPCO).
2. Transfer right receive fees amount from the agreement of advertising media at Suvarnabhumi Airport's exit of motorway, Agreement No.BB2561/07-001. (Contract party with Aqua AD Pcl.).
3. Aqua Corporation Public Co, Ltd. guarantee and Aqua Ad Public Co, Ltd. in full.

INDIRECT SUBSIDIARY

Accomplish Way Holdings Company Limited

Indirect subsidiary had entered into loan agreement with a bank amounting to Baht 285 million. The details of the loan's condition are as follows.-

Facilities line (Million Baht)	Loan balance		Interest rate (%)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
8	-	Refinance	MLR - 1.50	Payments of principal and interest by monthly from September 2012, for a period of 73 months as stipulated in the loan agreement.
3	-	Payment of a life insurance premium	MLR - 1.50	Payments of principal and interest by monthly from October 2012, for a period of 60 months as stipulated in the loan agreement.
177	85.80	Warehouse construction	MLR - 1.50	Payments of principal and interest by monthly from August 2013, for a period of 121 months as stipulated in the loan agreement.

18. LONG - TERM LOANS FROM FINANCIAL INSTITUTION - NET (Con't)

INDIRECT SUBSIDIARY

Accomplish Way Holdings Company Limited (Con't)

Facilities line (Million Baht)	Loan balance		Interest rate (%)	Term of repayment
	As at Dec 31, 2019 (Million Baht)	Objective		
10	2.13	Purchase of land and building scrap	MLR - 1.50	Payments of principal and interest by monthly from February 2014, for a period of 96 months as stipulated in the loan agreement.
2	-	Payment of a life insurance premium	MLR - 1.50	Payments of principal and interest by monthly from April 2013, for a period of 78 months as stipulated in the loan agreement.
85	30.26	Warehouse construction	MLR - 1.50	Payments of principal and interest by monthly from June 2014, for a period of 100 months as stipulated in the loan agreement.
<u>285</u>	<u>118.19</u>			

The collaterals of the abovementioned loans are as follows.-

1. Mortgage of 2 plots of land with building on premises of subsidiary.
2. Thai Consumer Distribution Centre Co., Ltd guaranteed the abovementioned loans.
3. The endorsement of insurance.
4. Reserving funds in "Debt Service" account by not less than Baht 9 million. (See Note 8 to the financial statements).

19. DEBENTURES

Movements of debentures during the year ended December 31, 2019 consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Beginning balance for the year	289,458	158,552	289,458	158,552
Debentures issued during the year	640,200	130,000	540,200	130,000
Redeemed during the year	(448,200)	-	(348,200)	-
Balance for ending of the year	481,458	288,552	481,458	288,552
Debenture expenses	(6,444)	(100)	(6,444)	(100)
Amortization of debenture expenses	2,656	1,006	2,656	1,006
Total	477,670	289,458	477,670	289,458
<u>Less</u> Current portion	(59,935)	(289,458)	(59,935)	(289,458)
Net	417,735	-	417,735	-

19.1 At the Annual General Shareholder's Meeting for the year 2017 held on April 25, 2017, it was resolved issue and offer to sell the debenture for general operating purpose and/or loan repayment and/or the Company and its subsidiaries' investment and/or working capital of the Company and its subsidiaries. The total principal shall not exceed Baht 2,000 million. The debentures may be offered on a revolving basis so long as the total outstanding amount of the debentures does not exceed Baht 2,000 million.

The Company and its subsidiaries have debentures as at December 31, 2019 and has fully paid during the year 2019, as follows.-

The Company's

Debenture as at December 31, 2019

Date	Type of debenture	Value (Million Baht)	Interest Rate (%)	Due date
May 24, 2019	Debenture No. AQUA215A, Name registered, Unsubordinated, Unsecured and Debenture Holders' Representative	117.20	5.25	May 24, 2021
Jul 30, 2019	Debenture No. AQUA-DE-300719, Name registered, Unsubordinated, Secured and With out a Debenture Holders' Representative	60.00	4.75	Jan 31, 2020
Sep 27, 2019	Debenture No. AQUA213A, Name registered, Unsubordinated, Secured and Debenture Holders' Representative	305.00	5.50	Mar 26, 2021
Total		482.20		

19. DEBENTURES (Con't)

The Company's

Fully paid during the year 2019

Date	Type of debenture	Value (Million Baht)	Interest Rate (%)	Due date
Sep 21, 2017	Debenture No. AQUA119A Name registered, Unsubordinated, Unsecured and without a Debenture Holders' Representative	160.20	5.25	Sep 16, 2019
Nov 28, 2018	Debenture No. AQUA-DE-281118, Name registered, Unsubordinated, Secured and Debenture Holders' Representative	130.00	5.50	Feb 28, 2019
Feb 28, 2019	Debenture No. AQUA-DE-280219 Name registered, Unsubordinated, Secured and Without a Debenture Holders' Representative	58.00	5.50	May 28, 2019
Total		348.20		

19.2 The Company has pledged common shares of Eastern Printing Public Company Limited (EPCO) value of 200% of the face values of debentures as collateral for the issuances debentures of Baht 60 million and Baht 305 million respectively.

19.3 The Company shall comply with certain rules and conditions for example, maintaining debt to equity ratio at the level as specified in the contract.

Direct subsidiary : Thai Consumer Distribution Centre Company Limited

19.4 At the Board of Directors' Meeting of Thai Consumer Distribution Centre Company Limited No.2/2019 held on April 22, 2019, it was resolved issue and offer to sell the debenture for working capital of the Company and its subsidiaries. The total principal shall not exceed Baht 100 million. The debentures may be offered on a revolving basis so long as the total outstanding amount of the debentures does not exceed Baht 100 million, are as follow.-

Date	Type of debenture	Value (Million Baht)	Interest Rate (%)	Due date
May 16, 2019	Debenture No. TCDC-DE-160519 Name registered, Unsubordinated, Secured and Without a Debenture Holders' Representative	100.00	5.50	Aug 16, 2019

20. LIABILITIES UNDER HIRE - PURCHASE AGREEMENTS - NET

Liabilities under hire - purchase agreements are as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Liabilities under hire - purchase contracts	102,192	2,498	3,918	1,851
<u>Less</u> Deferred interest	(6,105)	(81)	(400)	(68)
Present value of minimum lease payments	96,087	2,417	3,518	1,783
<u>Less</u> Current portion	(27,987)	(1,803)	(1,046)	(1,169)
Net	68,100	614	2,472	614

In the second quarter of 2019, Boardway Media Co., Ltd. has entered into sale and hire - purchase back contracts with certain company totaling amounting Baht 100 million. These contracts are repayable in 48 monthly installments of Baht 2.25 million and the last installments shall be paid within April 2023. The subsidiary has unrecognized gain from sale and hire - purchase back amounting Baht 4.91 million presented in "other non - current liabilities".

21. PROVISION FOR EMPLOYEE BENEFITS - NET

The Company and its subsidiaries operates postemployment benefit and pension based on the requirement of the Thai Labor Protection Act B.E. 2541 to provide retirement benefits and other long term benefits to employees based on pensionable remuneration and length of service.

21.1 Movements in the present value of the employee benefits obligations consist of.-

	Unit : Thousand Baht			
	Consolidate		Separate	
	2019	2018	2019	2018
Employee benefit obligation as at January 1,				
Post - employee benefits :				
Legal severance payment plan	15,455	12,057	4,654	3,256
Other long - term employee benefits	-	-	-	-
Total	15,455	12,057	4,654	3,256
Recognized in profit or loss for the year :				
Past service cost	3,649	-	1,159	-
Current service cost	2,734	3,102	925	1,316
Interest Cost	454	296	142	82
Total	6,837	3,398	2,226	1,398

21. PROVISION FOR EMPLOYEE BENEFITS - NET (Con't)

21.1 Movements in the present value of the employee benefits obligations consist of.- (Con't)

	Unit : Thousand Baht			
	Consolidate		Seperate	
	2019	2018	2019	2018
Recognized in other comprehensive income for the year				
Actuarial gain (losses) recognized in the year	3,400	-	1,514	-
Other				
Increase from business combination	527	-	-	-
Total	26,219	15,455	8,394	4,654
Employee benefit obligation as at December 31,				
Post - employee benefits :				
Legal severance payment plan	26,219	15,455	8,394	4,654
Other long - term employee benefits	-	-	-	-
Total	26,219	15,455	8,394	4,654
Less Current portion	(8,248)	(1,558)	(3,368)	-
Employee benefit obligation as at December 31, Net	17,971	13,897	5,026	4,654

As at 31 December 2019 and 2018, the weighted average duration of the liabilities for long-term employee benefit in the consolidated financial statements are 6, 11, 17 - 22 years and 9, 18 - 20 years respectively and in the separate financial statements are 5 years and 7 years respectively.

21.2 The expense is recognized in the following line items in the profit or loss.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Profit or loss				
Administrative expense	6,383	3,102	2,084	1,316
Interest expenses	454	296	142	82
Total	6,837	3,398	2,226	1,398
Other comprehensive income				
Actuarial (gain) losses	3,400	-	1,514	-

Actuarial gains and losses recognized in other comprehensive income arising from.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Financial assumption	619	-	73	-
Experience adjustment	1,619	-	1,039	-
Demographic assumption	1,162	-	402	-
Total	3,400	-	1,514	-

21. PROVISION FOR EMPLOYEE BENEFITS - NET (Con't)

21.3 Principal actuarial assumptions of provision for employee benefit at the reporting date.-

	Consolidated	
	2019	2018
*Discounted rate (%)	2.18 - 3.29	2.29 - 3.05
Salary increase rate (%)	4 - 5	3 - 4
Retirement age (year)	55 - 60	55 - 60
** Employee turnover rate (%)	0.96 - 34.38	0 - 42
*** Mortality rate	TMO 2017	TMO 2008
* Market yield from government's bond for legal severance payments plan		
** Upon the length of service		
*** Reference from TMO2017 (TMO2017 : Thai Mortality Ordinary Table of 2017)		

	Separate	
	2019	2018
*Discounted rate (%)	2.18	2.53
Salary increase rate (%)	4	4
Retirement age (year)	55	55
** Employee turnover rate (%)	2.87 - 34.38	0 - 42
*** Mortality rate	TMO 2017	TMO 2008
* Market yield from government's bond for legal severance payments plan		
** Upon the length of service		
*** Reference from TMO2017 (TMO2017 : Thai Mortality Ordinary Table of 2017)		

21.4 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have effected the provision for employee benefit by the amounts shown below.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Discount rate				
0.5% increase	(751)	-	(142)	-
1% increase	(1,061)	(955)	(279)	(167)
0.5% decrease	1,106	-	148	-
1% decrease	2,014	1,099	303	180

21. PROVISION FOR EMPLOYEE BENEFITS - NET (Con't)

21.4 Sensitivity analysis (Con't)

Unit : Thousand Baht				
	Consolidated		Separate	
	2019	2018	2019	2018
Salary increase rate				
1% increase	2,136	1,254	345	222
2% increase	4,259	-	716	-
1% decrease	(1,409)	(1,103)	(322)	(210)
2% decrease	(2,891)	-	(623)	-
Employee turnover rate				
1% increase	-	(1,023)	-	(181)
20% increase	(1,133)	-	(272)	-
40% increase	(2,354)	-	(520)	-
1% decrease	-	407	-	55
20% decrease	1,856	-	299	-
40% decrease	3,708	-	630	-

- 21.5 The Labour Protection Act (No.7), B.E. 2562 stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for employee benefits obligations as at December 31, 2018 of Baht 3.65 million in the consolidate financial statements and Baht 1.16 million in the separated financial statements.

The Company and its subsidiaries have recorded the effect of the change by recognizing past service costs as expenses immediately in the income statement in current period.

22. OTHER NON - CURRENT LIABILITIES

Other non - current liabilities are as follows.-

Unit : Thousand Baht				
	Consolidated		Separate	
	2019	2018	2019	2018
Rental Deposit	78,360	78,243	1,881	1,641
Retention	3,094	4,436	-	-
Provision for decommissioning costs	57,028	46,474	-	-
Advance receipts	39,660	46,206	-	-
Unrecognized from sale and hire purchase back contracts	4,045	-	-	-
Provision	4,867	5,342	-	-
Total	187,054	180,701	1,881	1,641

22. OTHER NON - CURRENT LIABILITIES (Con't)

Provision for decommissioning costs consist of.-

	Unit : Thousand Baht	
	Consolidated	
	2019	2018
Beginning balance for the year	46,474	45,399
<u>Add</u> Increase from business combination	11,582	-
Increase during the year	1,816	7,794
<u>Less</u> Decrease during the year	(2,844)	(6,719)
Ending balance for the year	57,028	46,474

The abovementioned advance receipts were proceeds from service under long - term service agreement which a subsidiary has collected in advance for a period of 5 to 10 years as follows.-

	Unit : Thousand Baht	
	Consolidated	
	2019	2018
Advance receipts of proceeds from service of warehouse equipment	46,206	52,571
<u>Add</u> Advance receipt of proceeds from services	154	118
<u>Less</u> Recognized as income during the year	(6,700)	(6,483)
Total	39,660	46,206

23. SHARE CAPITAL

At the Annual General Shareholders' Meeting for the year 2019 held on April 22, 2019, it was approved to increase the authorized share capital 1,377.90 million shares at Baht 0.50 per share for investing and working capital of the Company and its subsidiaries. As a result, it authorized share capital increase from 4,593.00 million shares to 5,970.90 million shares. The Company has registered the increase of share with the Ministry of Commerce on April 30, 2019.

24. TREASURY SHARES AND TREASURY SHARES RESERVE

24.1 Treasury shares

At the Board of Directors' Meeting No.9/2016 held on August 26, 2016, has approved a share repurchase a share program for financial management purpose (Treasury Stocks) not exceeding 275 million shares, or approximately 5.99 percent of the total issued shares, with the maximum amount of Baht 220 million. The Company shall purchase the shares through the Stock Exchange of Thailand within the period of 6 months, from September 12, 2016 to March 11, 2017. The shares repurchased must be resold within 3 years from such completion.

24. TREASURY SHARES AND TREASURY SHARES RESERVE (Con't)

24.2 At the Board of Director's Meeting No.1/2019 held on February 8, 2019, it was approved to dispose of its treasury share amounting to 86.04 million shares with the cost of Baht 66.39 million. The minimum price for disposition was set as at the weighted-average closing price of 5 previous trading day less 15% of such weighted-average closing price. The Company disposed all treasury shares on March 13, 2019 at totaling price of Baht 38.28 million. The disposed of the treasury shared was mode through The Stock Exchange of Thailand "SET" at prevailing market price at the of sale. The Company realized Baht 28.10 million as a loss on the aforesaid shares which has been presented as "Retained earnings" in the shareholder's equity, and reversed treasury shares reserve to unappropriated retained earnings.

24.3 Treasury shares reserve

Under the notification of the Office of the Securities and Exchange Commission No. Gor. Lor. Tor. Chor. Sor. (Wor.) 2/2548 and the notification of the Federation of Accounting Professions No. Sor. Sor. Wor. Bor. Chor. 016/2548 public companies buying back their own shares (treasury shares) must have retained earnings in an amount not less than the outstanding balance of the treasury shares, and if retained earnings are appropriated for dividend payment, the balance of retained earnings remaining after such payment must likewise be no less than the balance of the treasury shares. The Company proceeded in accordance with these guidelines and appropriated an amount of retained earnings to the treasury shares reserve equal to the amount paid to acquire the shares.

25. LEGAL RESERVE**25.1 THE COMPANY**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve of at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

As at December 31, 2019 and 2018, the Company reserve amounting to Baht 7.25 million and Baht 8.52 million respectively.

25.2 SUBSIDIARIES

According to Section 1202 of the Thai Civil and Commercial Code, a subsidiaries (incorporated under Thai Laws) is required to set aside a legal reserve equal to at least 5% of its income each time the company pays out a dividend, until such reserve reaches 10% of its authorize share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

26. DIVIDEND

Dividend consist of.-

Year 2019

Resolved by	Dividend payment from	Paid date	Per share (Baht)	Unit : million baht	
				Dividend	Legal re- serve
The Company					
Annual General Shareholders' Meeting for the year 2019 on April 22, 2019	Operating of the year 2018	May 21, 2019	0.02	91.86	8.52
				<hr/>	
Total dividends of the Company				<hr/>	
Subsidiaries					
Annual General Shareholders' Meeting for the year 2019 of Thai Consumer Distribution Centre Company Limited on March 29, 2019	Operating of the year 2018	April 26, 2019	2.00	3.39	-
Annual General Shareholders' Meeting for the year 2019 of Aqua Ad Public Company Limited on March 29, 2019	Retained earnings and operating of the year 2018	April 26, 2019	0.07	28.31	1.49
Annual General Shareholders' Meeting for the year 2019 of Mantra Assets Company Limited on March 29, 2019	Operating of the year 2018	April 26, 2019	20.00	20.00	-
Annual General Shareholders' Meeting for the year 2019 of Boardway Media Company Limited on April 30, 2019	Operating of the year 2018	May 23, 2019	20.00	19.60	1.03
The Board of Directors' Meeting of Aqua Ad Public Company Limited No.5/2019 on August 13, 2019	Operating of the six - months period end June 30, 2019	August 30, 2019	0.06	24.27	1.48
Indirect subsidiary					
Annual General Shareholders' Meeting for the year 2019 of Accomplish way Holding Company Limited on March 29, 2019	Operating of the year 2018	April 26, 2019	7.00	3.15	-
Total dividends of subsidiaries				<hr/>	
				98.72	

26. DIVIDEND (Con't)

Year 2018

Resolved by	Dividend payment from	Paid date	Per share (Baht)	Unit : million baht	
				Dividend	Legal re- serve
The Company					
Annual General Shareholders’ Meeting for the year 2018 on April 20, 2018	Operating of the year 2017	May 15, 2018	0.01	45.07	2.42
Total dividends of the Company				<u>45.07</u>	
Subsidiaries					
Annual General Shareholders’ Meeting for the year 2018 of Thai Consumer Distribution Cen- tre Company Limited on March 30, 2018	Operating of the year 2017	April 18, 2018	3.00	5.08	-
Annual General Shareholders’ Meeting for the year 2018 of Aqua Ad Public Company Limited on March 30, 2018	Operating of the year 2017	April 18, 2018	0.05	20.22	1.41
Extraordinary General Meeting 1/2018 of Aqua Ad Public Com- pany Limited on August 22, 2018	Retained earnings on December 31, 2017 and operation for six - month pe- riod ended June 30, 2018	August 24, 2018	0.2250	91.00	4.80
Annual General Shareholders’ Meeting for the year 2018 of Mantra Assets Company Limited on March 30, 2018	Operation of the year 2017	April 18, 2018	20.00	20.00	0.70
Indirect subsidiary					
Annual General Shareholders’ Meeting for the year 2018 of Ac- complish way Holding Company Limited on March 30, 2018	Operation of the year 2017	April 18, 2018	12.00	5.40	0.26
Total dividends of subsidiaries				<u>141.70</u>	

27. BASIC EARNINGS PER SHARE

Basic earnings (losses) per share for the year is calculated by dividing net income for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year as follows :

	Consolidated		Separate	
	2019	2018	2019	2018
Profit attributable to ordinary shareholders of				
The company (basic) (Thousand baht)	559,594	390,876	122,378	171,044
Number of ordinary shares (Thousand share)	4,593,000	4,593,000	4,593,000	4,593,000
<u>Less</u> Treasury shares (Thousand share)	-	(86,039)	-	(86,039)
Weighted average number of common				
shares outstanding (basic)				
(Thousand share)	4,593,000	4,506,961	4,593,000	4,506,961
Earnings per share (basic) (Baht per share)	0.1218	0.0867	0.0266	0.0380

28. EXPENSES BY NATURE

Significant expenses classified by nature consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Rental	237,984	209,218	142	586
Employees expenses	132,862	114,865	28,054	26,077
Depreciation	143,782	133,203	3,452	2,796
Commission	54,960	58,628	6	-
Service expense and cost of production	18,795	19,144	71	-
Bad debt and doubtful accounts (reversal)	3,996	(5,641)	-	(893)
Electric billboards fees	56,496	45,225	-	-
Premium billboards fees	9,186	11,087	119	125
Billboards tax	23,145	19,204	-	-
Professional fees	2,423	7,423	971	5,557
Fees	4,768	3,987	2,377	2,252
Repair	15,913	16,515	73	337
Financial cost	101,003	92,932	47,555	35,141

29. PROVIDENT FUND

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 Company, the subsidiaries companies and their employees contributed to the fund monthly at the rate of 2 - 3 percent of their basic salary. The fund, which is managed by Krungsri Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. For the year ended December 31, 2019 and 2018, the Company and its subsidiaries contributed Baht 1.41 million and Baht 1.25 million in the consolidated financial statements and amounting to Baht 0.23 million and Baht 0.24 million in the separate financial statement respectively.

30. OPERATING 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 the Company's Board of Directors.

Segment information is presented in respect of the Company and its subsidiaries operating segment. The primary format business segments is based on the Company and its subsidiaries management and the internal reporting structure provided to the chief operating decision maker.

Segment assets and revenues include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

Segment 1 : Holding other companies

Segment 2 : Rental space for advertising signage

Segment 3 : Service and investment property lease

30. OPERATING SEGMENT INFORMATION (Con't)

Asset, revenue and operating results, based on business segments, in the consolidated financial statements are as follows.-

Unit : Thousand Baht					
Consolidated					
For the year ended December 31, 2019					
	Segment 1	Segment 2	Segment 3	Elimination	Total
Revenues	146,225	809,533	337,600	(132,363)	1,160,995
Operating profit					512,253
Unallocated income					23,400
Interest income					3,297
Gain on the revaluation of investment property	-	-	78,621	-	78,621
Depreciation	-	(127,588)	(7,546)	-	(135,134)
Share of profit on investment in associated company	261,210	-	-	-	261,210
Finance cost					(101,003)
Income tax					(74,844)
Income of non - controlling interest					(8,206)
Net profits attributable shareholders of the parent					559,594
<u>Assets of the segment</u>					
Investment in associate are accounted for by equity method	1,276,550	-	-	-	1,276,550
Allocated					
Billboard	-	1,098,445	46,025	-	1,144,470
Investment property	-	-	3,934,057	-	3,934,057
Unallocated					1,433,238
Total assets as at December 31, 2019					7,788,315

30. OPERATING SEGMENT INFORMATION (Con't)

Unit : Thousand Baht					
Consolidated					
For the year ended December 31, 2018					
	Segment 1	Segment 2	Segment 3	Elimination	Total
Revenues	178,332	695,681	354,845	(178,404)	1,050,454
Operating profit					492,363
Unallocated income					17,432
Interest income					4,965
Gain on the revaluation of investment property	-	-	15,015	-	15,015
Depreciation	-	(121,480)	(7,210)	-	(128,690)
Share of profit on investment in associated company	136,047	-	-	-	136,047
Finance cost					(92,932)
Income tax					(46,181)
Income of non - controlling interest					(7,144)
Net profits attributable shareholders of the parent					390,875
<u>Assets of the segment</u>					
Investment in associate are accounted for by equity method	984,666	-	-	-	984,666
Allocated					
Billboard	-	1,019,477	53,562	-	1,073,039
Investment property	-	-	3,856,043	-	3,856,043
Unallocated					947,881
Total assets as at December 31, 2018					6,861,629

31. FINANCIAL INSTRUMENTS

The Company and its subsidiaries complied with the Thai Accounting Standard No. 107 "Presentations and Disclosure of Financial Instruments" as a guidance to disclose about the financial instruments as follows:-

31.1 Accounting policies

The related accounting policies are disclosed in Note 4.25 to the financial statements.

31.2 Financial risk management

The Company and its subsidiaries are exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company and subsidiaries did not speculate or engage in the trading of any derivative financial instrument.

31.3 Credit risk

The Company and subsidiaries are exposed to credit risk from non performance of contractual obligations by counter parties resulting in a financial loss to the Company and its subsidiaries. To prevent the risk, the Company and its subsidiaries have credits control and regularly review debtors' financial status. The Company and its subsidiaries do not expect significant losses from non performance contractual obligation as their customers are diverse.

31.4 Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its deposits with financial institutions, Hire-purchase/financial lease contract receivables and short-terms and long-term loans charged with interest and financial lease. However, since interest rates of the majority of these financial assets and liabilities vary according to market rates or are fixed and closed to market rates, the Company and its subsidiaries management deemed their interest risk at low level. The Company and its subsidiaries thus do not use derivative financial instruments to hedge such risk.

31. FINANCIAL INSTRUMENTS (Con't)

31.4 Interest rate risk (Con't)

The Company and its subsidiaries had interest rate risk as follows.-

Unit : Thousand baht							
Consolidated (As at December 31, 2019)							
Fixed interest rates							
	Within 1 year	1 - 5 years	Over 5 years	Floating Interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	57,134	-	-	96,769	4,190	158,093	0.10 - 1.00
Temporary investments	-	-	-	-	1	1	-
Trade accounts and other current re- ceivables	30,771	-	-	-	277,515	308,286	8.00
Deposits at bank held as collaterals	-	-	-	9,097	-	9,097	0.90
Non - current trade accounts receivable	-	24,000	-	-	-	24,000	8.00
Long-term investments	-	-	-	-	29,900	29,900	-
Financial liabilities							
Bank overdraft and short - term loans from financial institutions	-	-	-	40,613	-	40,613	MRR (6.87), MLR - 2(4)
Trade accounts and other current payable	-	-	-	-	94,648	94,648	-
Long-term loan from financial institution	26,084	-	-	1,799,834	-	1,825,918	*
Debentures	59,935	417,735	-	-	-	477,670	4.75 - 5.50
Liabilities under lease contracts	27,987	68,100	-	-	-	96,087	**

* 4.125% p.a., MLR-2(4% p.a.), MLR - 2.6(4.75% p.a.), MLR - 1.5(4.5% p.a.) and MLR - 1(5% p.a.)

** 3.75% p.a., 4.55% p.a., 5.37% p.a. and 8.60% p.a.

Unit : Thousand baht							
Consolidated (As at December 31, 2018)							
Fixed interest rates							
	Within 1 year	1 - 5 years	Over 5 years	Floating Interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	14,856	-	-	27,958	1,073	43,887	0.50 - 1.30
Temporary investments	-	-	-	-	1	1	-
Trade accounts and other current re- ceivables	10,000	-	-	-	327,650	337,650	8.00
Deposits at bank held as collaterals	-	-	-	9,097	-	9,097	0.90
Long-term investments	-	-	-	-	29,900	29,900	-

31. FINANCIAL INSTRUMENTS (Con't)

31.4 Interest rate risk (Con't)

Unit : Thousand baht

Consolidated (As at December 31, 2018)

	Fixed interest rates			Floating Interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years				
Financial liabilities							
Bank overdraft and short - term loans							MOR (7.12)
from financial institutions	-	-	-	126,274	-	126,274	MLR - 2 (4.25)
Trade accounts and							
other current payable	-	-	-	-	88,675	88,675	-
Long-term loan from							
financial institution	-	193,058	-	1,497,545	-	1,690,603	*
Debentures	289,458	-	-	-	-	289,458	5.25 - 5.50
Liabilities under lease contracts	1,804	614	-	-	-	2,418	**

* 4.125% p.a., MLR - 2 (4.25% p.a.) and MLR - 3 (3.25% p.a.)

** 5.37% p.a., 4.82% p.a., and 6.04% p.a.

Unit : Thousand baht

Separate (As at December 31, 2019)

	Fixed interest rates			Floating in- terest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	13	-	-	60,105	139	60,257	0.10 - 1.60
Temporary investments	-	-	-	-	1	1	-
Trade accounts and other current re- ceivables	-	-	-	-	2,848	2,848	-
Short - term loans to related company	1,257,150	-	-	-	-	1,257,150	5.24 - 6.26
Deposits at bank held collaterals	-	-	-	97	-	97	0.90
Long - term investments	-	-	-	-	29,900	29,900	-
Financial liabilities							
Trade accounts and other current payable	-	-	-	-	4,017	4,017	-
Long - term loans from financial institution	-	-	-	638,306	-	638,306	MLR - 2 (4) MLR - 2.6 (4.75)
Debentures	59,935	417,735	-	-	-	477,670	4.75 - 5.50
Liabilities under lease contracts	1,046	2,472	-	-	-	3,518	4.55 - 5.37

31. FINANCIAL INSTRUMENTS (Con't)

31.4 Interest rate risk (Con't)

Unit : Thousand baht

	Separate (As at December 31, 2018)						
	Fixed interest rates						Interest
	Within 1	1 - 5	Over 5	Floating in-	Non-interest	Total	rate
	year	years	years	terest rate	bearing		(% p.a.)
Financial assets							
Cash and cash equivalents	171	-	-	13,850	234	14,255	0.50 - 1.30
Temporary investments	-	-	-	-	1	1	-
Trade accounts and other current receivables	-	-	-	-	1,780	1,780	-
Short - term loans to related company	957,450	-	-	-	-	957,450	5.24 - 6.00
Deposits at bank held collaterals	-	-	-	97	-	97	0.90
Long - term investments	-	-	-	-	29,900	29,900	-
Financial liabilities							
Bank overdraft and short - term loans from financial institutions	-	-	-	85,000	-	85,000	MLR - 2 (4.25)
Trade accounts and other current payable	-	-	-	-	1,331	1,331	-
Long - term loans from financial institution	-	-	-	425,110	-	425,110	MLR - 2 (4.25)
Debentures	289,458	-	-	-	-	289,458	5.25 - 5.50
Liabilities under lease contracts	1,169	614	-	-	-	1,783	5.37

31.5 Defaulting of agreement risk

The subsidiary have a risk from it was unable to extend the lease premise agreement for billboard stands since the agreement was signed for the short - term. The Management then hedged this risk by entering into agreement the condition to extend the agreement and must inform the cancellation of agreement in advance. For the risk on damages to its customers who rented billboard, its subsidiaries will seek the new billboard to be tabs in the better location immediately

The subsidiary have a risk from the uncleanness of evidence supporting the billboard stand construction as follows.-

	2019	2018
Number of not approved billboard	180	164
At cost (million baht)	945.77	840.19
Carrying amount (million baht)	592.72	562.13
Advertisement income (million baht)	436.03	352.29
Percentage of total advertisement income	54.23	54.96
Effect of dismantlement of billboard structure (million baht)	(436.03)	(352.29)
Effect to total assets and shareholders equity of dismantlement of billboard structure (million baht)	(592.72)	(562.13)

31. FINANCIAL INSTRUMENTS (Con't)

31.5 Defaulting of agreement risk (Con't)

The management deems that such stands were purchased from the seller whose the operation is used and constructed before the effective of the Bangkok's Instruction B.E. 2549 and altogether of the advertising and Sign Producing Association ("ASPA") is under the request for relaxing of permission. The management also deems that the expenses in demolition is not material together with the supplies from such demolition could be use in the alternative construction and installation.

31.6 Currency risk

The Company and its subsidiaries have no foreign currency exchange rate risk, all material respect. However, as at December 31, 2019, the subsidiary has currency forward contract amounting to 400,000 US Dollars.

31.7 Liquidity Risk

The Company and its subsidiaries monitor their liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

31.8 Fair value of financial instruments

A number of the company and its subsidiaries accounting policies and disclosures require the determination of fair value, for both financial and non - financial assets and liabilities.

Since the majority of the Company and its subsidiaries' financial assets and liabilities are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amount presented in the statements of financial position.

32. COMMITMENT AND CONTINGENT LIABILITES

As at December 31, 2019 and 2018, The Company and its subsidiaries have commitments and contingent liabilities as follow:

Contingent liabilities :

- 32.1 The Company has letter of guarantee issued by several banks mainly to secure contractual performance, electricity usage and others amounting to Baht 26 million (2018 : Baht 22.72 million) in the consolidated financial statements and of amounting to Baht 0.10 million in the separate financial statements.

Commitments of expenditure of addition, renewals and betterment :

- 32.2 The Company had future commitment in respect of construction agreement amounting to Baht 86.25 million (2018 : Baht 33.98 million) in the consolidated financial statements.

32. COMMITMENT AND CONTINGENT LIABILITIES (Con't)

Commitments from operation:

- 32.3 The Company have entered into long-term lease agreements for vehicle, office supplies and billboard security service agreement for the period of 3 years commencing from the agreement date as follows.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2019	2018	2019	2018
Within 1 year	1,030	1,789	124	1,019
Over 1 year not over 5 years	850	3,168	64	1,870
Total	1,880	4,957	188	2,889

- 32.4 The subsidiaries were in possession of commitments from land agreements for sites of structured billboard stands which were liable to make future payment under operating lease agreement as follows.-

	Unit : Thousand Baht	
	Consolidated	
	2019	2018
Within 1 year	112,630	107,555
Over 1 year not over 5 years	195,147	181,263
Over 5 years	22,420	27,343
Total	330,197	316,161

33. LAW SUIT

- 33.1 The Company was sued as co-defendant with a company to compensate for a loss amounting of Baht 3.23 million. At present, the case was in judicial proceedings.

- 33.2 The subsidiary (Boardway Media Co., Ltd.) was sued as co - defendant with several companies (11 defendants) to compensate for a loss of Baht 440 million whereby the plaintiff claimed that one of the subsidiary's billboard and many of others obscured the plaintiff's billboard. At present, the case was in judicial proceedings. However, the subsidiary denied any wrongdoing against the plaintiff as to the subsidiary has rented the billboard page from the previous owner and changed to digital billboard page.

In 2019, the court has dismissed the cause, The lawsuit was final and the plaintiff did not appeal. Therefore, the subsidiary had no loss from the case.

33. LAW SUIT (Con't)

- 33.3 In the year 2019, the subsidiary (Accomplish Way Holding Company Limited) was sued as a defendant in breach of contract with an amount in dispute of Baht 4.86 million. The plaintiff has terminate a lease contract and demand the subsidiary to refund the guarantee deposit but the subsidiary denied to refund the guarantee deposit because the plaintiff has not returned the leased asset in good condition which was not complied to the lease agreement. At present, the court has judged the subsidiary to refund the retention amounting to Baht 2.35 million to the plaintiff and the subsidiary has fully paid the retention on January 31, 2020.

34. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiaries capital management are to maintain their ability to continue as a going concern and to maintain appropriate capital structures.

As at December 31, 2019 and 2018, debt-to-equity ratios in the consolidated financial statements were 0.70 : 1 and 0.69 : 1 respectively and in the separate financial statements were 0.38 : 1 and 0.28 : 1 respectively.

35. EVENTS AFTER REPORTING PERIOD

THE COMPANY

At the Board of Directors' Meeting No. 1/2020 held on February 28, 2020 it was resolved to propose to the shareholders are as following.-

- 35.1 To distribute dividend from retained earning and operating of the year 2019 at the rate of Baht 0.30 per share, totaling Baht 137.79 million and appropriate legal reserve amounting to Baht 7.25 million.
- 35.2 To the decrease its authorized share capital from Baht 2,985.45 million to Baht 2,296.50 million to match with its fully paid up.

SUBSIDIARIES

- 35.3 At the Board of Directors' Meeting of Aqua Ad Public Company Limited No. 2/2020 held on February 27, 2020, it was resolved to distribute dividend from retained earnings and operating of the year 2019 at the rate of Baht 0.13 per share which paid interim dividend at the rate Baht 0.06 and paid dividend at the rate Baht 0.07 totaling Baht 52.58 million and appropriated legal reserve amounting to Baht 2.85 million.
- 35.4 At the Board of Directors' Meeting of Boardway Media Company Limited No. 1/2020 held on February 27, 2020 it was resolved to distribute dividend from the operating of the year 2019 at the rate of Baht 20 per share, totaling Baht 19.60 million.
- 35.5 At the Board of Directors' Meeting of Mantra Assets Company Limited No. 2/2020 held on February 27, 2020 it was resolved to distribute dividend from the operating of the year 2019 at the rate of Baht 20 per share, totaling Baht 20 million.

35. EVENTS AFTER REPORTING PERIOD (Con't)SUBSIDIARIES (Con't)

- 35.6 As at February 11, 2020, A subsidiary has entered into the structure billboard stand purchase Agreement with a company at the value of Baht 92 million. A subsidiary had made partial advance payment to the seller and shall completed the purchase within January 31, 2020.

INDIRECT SUBSIDIARIES

- 35.7 At the Board of Directors' Meeting of S.Thana Media Company Limited No. 2/2020 held on February 27, 2020 it was resolved to distribute dividend from the operating of the year 2019 at the rate of Baht 600 per share, which paid interim dividend at the rate Baht 200 and paid dividend at the rate 400, totaling Baht 30 million.

38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 28, 2020

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Annual Report 2019

รายงานประจำปี 2562



 **AQUA**

AQUA CORPORATION PUBLIC COMPANY LIMITED

121/68-69 RS Tower, 21st Floor, Ratchadapisek Road, Din-Daeng, Bangkok 10400 Tel. (+66) 2-694-8888 Fax. (+66) 2-694-8880, (+66) 2-694-8889
121/68-69 อาคารอาร์เอสทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10400 โทร. (+66) 2-694-8888 โทรสาร (+66) 2-694-8880, (+66) 2-694-8889