



**In this challenging time, we commend our brave heroes  
for their sacrifices in helping fight the COVID-19  
and we extend our support and encouragement to everyone.**



VGi



STAY AHEAD GO BEYOND



VGI is a unique market leader with exclusive access to behavioural data from our advertising, payment and logistics platforms. We turn data to meaningful consumer insight, enabling us to offer Offline-to-Online (O2O) Solutions. To provide a better customer experience, we help brands to navigate their customers at every stage of the purchasing process.

[www.vgi.com](http://www.vgi.com)

ADVERTISING

PAYMENT

LOGISTICS





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# 1

## TO INVESTORS

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# VISION

- Pioneering Solutions for Tomorrow
- 

# MISSION

- Design pioneering experience for consumers
    - Create pioneering platform for brands
  - Build pioneering and sustainable business for stakeholders, social and environment
- 

# VALUES



VALUES



GROWTH



INNOVATION



# FINANCIAL HIGHLIGHTS

1.2

	2017/18 (Restated) <sup>1</sup>	2018/19 (Restated) <sup>2</sup>	2019/20
<b>STATEMENT OF COMPREHENSIVE INCOME (THB mn)</b>			
Revenue from services <sup>3</sup>	3,936	3,611	4,000
Out-of-Home media			
Transit media	2,262	2,405	2,184
Office & Other media	338	412	371
Outdoor media	958	265	294
Digital Services	378	529	1,151
Cost of sales	1,535	1,461	1,948
Gross profit	2,401	2,150	2,052
EBITDA	1,691	1,672	1,523
Net profit	846	1,101	1,424
<b>STATEMENT OF FINANCIAL POSITION (THB mn)</b>			
Total assets	9,632	22,773	17,077
Total liabilities	3,706	6,166	3,999
Total shareholders' equity	5,926	16,607	13,078
<b>CASH FLOW (THB mn)</b>			
Cash from operating activities	1,272	1,775	997
Capital expenditures	(549)	(750)	(521)
<b>PER SHARE DATA (THB/share)</b>			
Earnings per share	0.1	0.1	0.2
Dividend per share <sup>4</sup>	0.1	0.1	0.1
Book value per share	0.8	1.6	1.5
<b>KEY RATIOS</b>			
Gross profit margin (%)	61.0%	59.5%	51.3%
EBITDA margin (%)	43.0%	46.3%	38.1%
Net profit margin (%)	21.5%	30.5%	35.6%
Debt to equity (times)	0.3x	0.2x	0.1x
ROA (%)	9.6%	6.8% <sup>5</sup>	7.9%
ROE (%) <sup>6</sup>	26.9%	12.2%	10.8%
<b>SHARE INFORMATION (as of 31 March)</b>			
Share price (THB)	7.80	9.05	5.70
Outstanding shares (shares mn)	7,204	8,557	8,611
Market capitalisation (THB mn)	56,194	77,438	49,084
Par value (THB per share)	0.1	0.1	0.1

Note :

- Currently, VGI's business comprised of Advertising, Payment and Logistics business. The categorisation of accounting for each of these platforms is different, with Advertising recorded under the OOH media segment; Payment under the Digital Services segment, and most of the Logistics performance recorded under the equity method.
- In 2019/20, the Company had completed the deconsolidation of Master Ad public Company Limited ("MACO") resulting from the change in status of investment in MACO from the subsidiary to associate, which was effective since 30 January 2020. Going forward, VGI will only recognise as a share of profit (loss) from investment of MACO.

<sup>1</sup> The Company restated the consolidated financial position as at 31 March 2018 to reflect the fair value of Co-Mass Company Limited ("Co-Mass") assets under MACO after the measurement of fair value of Co-Mass's identifiable assets was completed.

<sup>2</sup> The Company restated the Financial Position as at 31 March 2019 after the measurement of fair value of Trans.Ad Group and Gold Star Group's identifiable assets was completed. The Company restated the statement of comprehensive income in 2018/19 following to:-

1) The new financial reporting standards TFRS 15 Revenue from Contracts with Customers.

2) The deconsolidation of MACO

<sup>3</sup> Excludes other income

<sup>4</sup> Pay out dividend for 2019/20 in the amount of not exceeding THB 552mn (the second half of 2019/20 is subject to the resolution of Annual General Meeting).

<sup>5</sup> Excludes MACO's assets in 2018/19.

<sup>6</sup> Calculated from equity attributable owners of the Company.

## 1.3 CHAIRMAN'S LETTER



### Dear Stakeholders,

VGI has begun our transformative journey to respond to the era of disruption since 2017. We have grown from a sole provider of offline advertising to the leading Offline-to-Online (“O2O”) Solutions provider, with a comprehensive ecosystem, cutting across Advertising, Payment and Logistics platforms. This has enabled us to attract new alliances and cultivate new strategic partnerships, which allows us to operate with greater flexibility and helps diversify risks through the generation of multiple revenue streams. The prompt and timely shift in our strategic direction is key to our resilient and robust performance as evident in our 2019/20 records, with our net profit reaching an all-time high at THB 1,424mn, despite the sluggish economy in 2019 and the impact of the Coronavirus outbreak in early 2020.

In this trying time, where the world is facing an unprecedented test from the COVID-19 pandemic, the challenge drives home the importance of compassion and solidarity. As a token of our heartfelt appreciation for all medical personnel on the frontline battling COVID-19, I have contributed my personal funds, along with the BTS Group's, VGI's and the group's companies', worth THB 100mn towards various COVID relief projects. One of the most prominent relief projects is the “White Gown Warriors Fighting Against COVID-19” campaign of the Medical Association of Thailand under the Royal Patronage, which we helped provide life insurance and funding support worth more than THB 70mn for over 1.0mn

medical personnel, healthcare workers and village health volunteers. Given our leading role as a media provider in the country, we have also offered our media space free of charge to government agencies and non-profit organisations to raise awareness on COVID-19 prevention, including “Shelter in Place” and “Social Distancing” and to provide accurate and reliable information about the virus. This is in line with our policy to use our media space for the purpose of sharing inspirational and beneficial contents with the society. Moreover, through our digital payment platform, we have offered an alternative payment solution for consumers to avoid handling cash. And together with the BTS Group and our affiliated companies, we have delivered 20,000 “Box of Relief & Happiness” relief boxes through Kerry Express (Thailand) Public Company Limited (“Kerry”) to hardest hit households. Last but not least, our top priority is the wellbeing and safety of our staff, who are unquestionably the key forces that will help us get past this crisis. We have set the ultimate goal that none of our employees shall contract COVID-19 and put in place early prevention policy, including providing all our staff COVID-19 health insurance. These measures are part of our strong commitment to social responsibility, sustainability and the welfare of all stakeholders.

Over the past year, we have maintained strong relationships with our long-time partners: BTS Group Holdings Public Company Limited, or BTS Group, the country's leading mass transit operator; Kerry, the number one parcel delivery company in Thailand; and Plan B Media Public



**Keeree Kanjanapas**  
Chairman of the Board of Directors

Company Limited, the leader in Out-of-Home media with nationwide coverage. Our alliances also extend to strategic partners such as the Rabbit Group, the Saha Pathana Group and top marketing technology firms such as iClick Interactive Asia Group Limited and Anymind Group Limited. Moreover, in 2019, we launched VGI Digital Lab, a comprehensive data-driven online media agency that has effectively utilised our partners' extensive data pool to create online marketing campaigns. Within its first year of operation, VGI Digital Lab has soared to the top of the digital media industry. Indeed, our success would not have been possible without the tremendous support of all our partners.

As a validation of our success in transitioning to O2O services, we were awarded the Thailand's Top Corporate Brands 2019 Award for achieving the highest corporate brand value, along with 4 Business Excellence accolades from the SET Awards 2019, including Outstanding CEO Award, Outstanding Young Rising Star CEO Award, Outstanding Company Performance Award and Outstanding Investor Relations Award. This marks the first time since we were listed on the Stock Exchange of Thailand in 2012 to receive such remarkable recognitions and is a reflection of our unique capabilities to drive success and our vision to build sustainable growth for our businesses.

Moreover, last year, VGI made it into the Stock Exchange of Thailand SET50 Index, the only company within the Thai media industry to be listed. This truly represents

investors' confidence in our capacity and robust business foundation. On 9 September 2019, our share price peaked at THB 10.30 per share, while our market capitalisation reached a new high, recording THB 88,693mn.

Even though the world has gone through countless public health crises, the present pandemic is unlike any other in our lifetime. Its impact is equally as severe as that of war that wreaks havoc and costs many lives. All over the world, nations are facing the economic and political fallout from the outbreak. As for the Thai economy, the Bank of Thailand has projected the GDP growth in 2020 to contract to -5.3% from an earlier forecast of 2.8% growth. This marks the worst year for the economy since the 1997 Asian Financial Crisis. Going forward, 2020 will be a very challenging year for all; VGI is no exception. Nonetheless, we are confident in our robust business foundation as well as the expertise and experience of our management team and staff who have steered our company through may crises over the past 20 years. It is without a doubt that once again we will get through this challenge.

Finally, on behalf of the Board of Directors, executives and staff, I would like to extend my best wishes to our medical personnel and all parties involved in the fight against this extraordinary crisis. I thank you from the bottom of my heart for your courage and sacrifice. I am confident that Thailand will overcome this virus and, together, we will get through this.



## 1.4 CHAIRMAN OF THE EXECUTIVE COMMITTEE AND CEO REVIEW

### Dear Stakeholders,

2019/20 has been a very lucrative year for VGI. Our revenues and net profit have reached an all-time high at THB 4,000mn and THB 1,424mn, respectively; while all of our business segments have delivered robust performances. In Advertising, we have restructured our operations to enhance synergies across our subsidiaries and associate companies, thereby creating a solid foundation for future growth. A case in point, Plan B Media Public Company Limited ("PlanB") has purchased 19.96% shares from Master Ad Public Company Limited ("MACO"), and will focus on managing domestic media market, whilst enabling MACO to focus on international expansion. We have also continued to develop innovative solutions and products to meet digital Out-of-Home ("OOH") media trends. This year, we have launched 40 new 45-meter-long digital OOH screens under the name "VGI Immerse", which are installed on 4 major BTS stations. With enhanced flexibility, the screens can deliver a broad range of eye-catching contents to grab attention and get the message across to BTS passengers with high visual and audio qualities.

Likewise, our Payment service has grown consistently. Over 13.0mn Rabbit Cards have been issued to date, while the number of Rabbit LinePay users have reached over 7.3mn, increasing from merely 1mn when the service was launched back in 2016. Meanwhile, our Logistics segment, operated by Kerry Express (Thailand) Public Company Limited ("Kerry"), has seen significant growth.

Kerry presently has over 16,000 service locations with the capability to handle over 2mn parcels per day. Through our own consumer data, coupled with that of our affiliates, we are able to gain access to rich data pool, covering over 30mn users.

Further attesting to the success of our strategic direction in delivering pioneering solutions to meet our clients' demands, our new digital media segment under VGI Digital Lab, a comprehensive online media agency that focuses on creating online and digital marketing campaigns based on our data management platform (DMP), has delivered a better-than-expected first year performance, attracting the interests of both local and global brands. We have also extended our reach to the Chinese consumer market through our partnership with iClick Interactive Asia Group Limited, which possesses over 780mn user data, allowing us to deliver ads and marketing campaigns to around 11mn Chinese tourists planning to visit Thailand. In addition, we have been able to extract synergies across our subsidiaries and associate companies. For instance, along with PlanB, we have launched the "Bangkok Takeover" campaign, combining our digital OOH strengths by employing more than 2,900 digital screens that cover areas over 80% of Bangkok. At the same time, we have offered new OOH media package that combines offerings from our transit media segment, including VGI's advertising space on BTS stations, MACO's street furniture and PlanB's (Bangkok Jam) digital screens at prime Bangkok locations. Moreover, through our



**Kavin Kanjanapas**  
Chairman of  
the Executive Committee



**Nelson Leung**  
Chief Executive Officer



partnership with Saha Group, Lawson 108 convenient stores are now opened on 12 BTS stations, further boosting the digital retail experience. These collaborations reflect our vision to expand our media offerings on a massive scale and deliver diversified and flexible business solutions that will offer endless opportunities for businesses to grow.

Regrettably, the coronavirus outbreak that began at the start of 2020 has had massive and unprecedented impact on the global economy, which means the 2020/21 year will be very challenging for all humanity and all businesses. The same is true for VGI. Despite the inescapable ordeal, our priority is the health and safety of our staff, who are the key forces to help us get through this crisis. As such, we have set a KPI that none of our staff shall be infected with COVID-19 and put in place early prevention measures, including conducting temperature screening, providing masks and alcohol gel to all staff, spraying disinfectant at our office spaces on a bi-weekly basis and providing staff COVID-19 coverage insurance. We have also introduced a business continuity plan that allow our employees to work from home.

As an expression of our heartfelt gratitude to all healthcare professionals who are working relentlessly on the frontline to combat the virus, together with the BTS Group, we have donated to various COVID relief projects, including the “White gown warriors fighting against COVID-19” campaign to provide life insurance for the country’s medical personnel as well as provide 1,000 face shields to the Thammasat University Hospital. Recognising the crucial role the media can play in providing accurate and

reliable information to the general public at this time, we have offered our extensive media space to government agencies and non-profit organisations wishing to raise awareness and provide updates and useful information regarding COVID-19 free of charge.

In support of the Thai Red Cross Society, we have offered our Payment platform as a channel for donations to fund the manufacturing of fabric face masks and the procurement of N95 surgical masks, PPE protective gears and medical equipment. Moreover, Rabbit Finance, in collaboration with Rabbit Rewards, has given out Rabbit points to those who have purchased COVID-19 insurance through Rabbit payment channels. Last but not least, our Logistics segment through Kerry has supported taxi drivers who are among those worst affected by this crisis to work as delivery drivers instead of picking up passengers. Kerry has also offered free delivery for clients who wish to send essential supplies to medical staffs and hospitals. All this is part of our corporate social responsibility and commitment to sustainability and welfare of all stakeholders.

On behalf of VGI’s management team, I would like to take this opportunity to extend my best wishes to all medical personnel and everyone involved in the relentless battle against COVID-19 in the country to safely get pass this trying time. Finally, I wish to express my sincere appreciation and thanks to our directors, executives, employees and partners whose support and hard work will undoubtedly help us get through this crisis smoothly and regain our strength once again.

## 1.5 AUDIT COMMITTEE REPORT

The Audit Committee of VGI Public Company Limited (the "Company") consists of 3 Independent Directors, namely, Associate Professor Jaruporn Viyanant as the Chairman of the Audit Committee, Mrs. Maneeporn Siriwatanawong and Mr. Kiet Srichomkwan as the Members of the Audit Committee and Mr. Pipop Intaratut as the Secretary to the Audit Committee.

In 2019/20, the Audit Committee undertook the duties and responsibilities regarding matters assigned by the Board of Directors, which were summarised as follows:

1. Reviewed the Company's financial reports, including quarterly and annual financial statements with regards to their accuracy and adequacy of disclosure. The Audit Committee has had meetings with the Company's auditor and found no reason to believe that such financial reports were not prepared in accordance with Generally Accepted Accounting Principles.
2. Reviewed and ensured the Company has an appropriate and efficient internal control and internal audit system, considered the adequacy of the budget, manpower and considered the independence of the internal audit department. Also, the audit committee has monitored the approval, promotion, transfer, and layoff of chief of internal audit and any other functions which work under the internal audit department. The internal audit department is under the Audit Committee and is tasked with evaluating the appropriateness and effectiveness of the internal control system by considering business operation, prevention and control of loss, authority to make financial decisions ensuring the compliance with applicable laws, ensuring internal control system that the company has an appropriate and adequate internal control system in each of the Company's activities to achieve the purpose and goals of the Company and to manage the Company's business.
3. Reviewed the Company's operations to be in compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange and all applicable laws relating to the Company's business. Has conducted meetings with the management and head of related

departments to ensure the Company had good and efficient operations and management processes in accordance with the principle of good corporate governance. In addition, the Audit Committee has reviewed the practices of Corporate Governance according to the principles of Corporate Governance of Thailand Listed Companies.

4. Considered, selected and nominated independent persons to act as the Company's auditor by proposing to the Board of Directors to appoint Miss Siraporn Ouaanunkun, Certified Public Accountant (Thailand) No.3844, and/or Mrs. Cholaros Suntiasvaraporn, Certified Public Accountant (Thailand) No.4523, and/or Mr. Chatchai Kasemsrithanawat, Certified Public Accountant (Thailand) No.5813 from EY Office Company Limited to act as the auditor for the Company. Such appointment and fee for fiscal year 2019/20 were approved by the Board of Directors and are to be proposed to the General Meeting of Shareholders of the Company.
5. Considered and reviewed the connected transactions or the transactions that may lead to conflicts of interest between the Company with related person or related companies and whether the transactions are appropriate and benefit the company and have been transacted on an arm's length basis.
6. Reviewed the Company's manage internal control on Anti-Fraud & Corruption of the organization in accordance with anti-corruption measures under the Thailand's Private Sector Collective Action Coalition against corruption.
7. Prepared this Audit Committee Report and disclosed the Report signed by the Chairman of the Audit Committee in the Annual Report 2019/20.
8. From 1 April 2019 to 31 March 2020, the Audit Committee conducted 6 meetings by which each member has attended the meetings as follows:



Names	Position	Times attended/ Total number of meetings
Assoc. Prof. Jaruporn Viyanant	Chairman of the Audit Committee	6/6
Mrs. Maneeporn Siriwatanawong	Member of the Audit Committee	6/6
Mr. Kiet Srichomkwan	Member of the Audit Committee	6/6

From each of meeting, there were discussions with the management, external auditor and internal audit on the related matters. And a meeting with external auditor without the management once.

#### **Overall Audit Committee's Opinions**

In the fiscal year 2019/20, the Audit Committee is of the opinion that it performs its duties under the Audit Committee Charter, which in turn follow the Stock Exchange of Thailand's regulations. In this regard with full cooperation and support of all parties, the Audit Committee has efficiently performed its functions within a responsible and satisfactory manner. The Audit Committee has reviewed the Company's financial reporting and found that it is accurate, adequate, and

complied with the General Accepted Accounting Principles. The Internal Control and Internal Audit systems are suitable and efficient enough for achieving the Company's target, in line with the principles of good corporate governance and in compliance with the Public Companies Act, the Securities and Exchange Act, as well as all relevant laws and regulations that relate to the Company's operation.



**Assoc. Prof. Jaruporn Viyanant**  
Chairman of the Audit Committee

## NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee of VGI Public Company Limited (the "Company") consists of 3 Independent Directors, namely, Mrs. Maneeporn Siri wattanawong as the Chairman of the Nomination and Remuneration Committee, Associate Professor Jaruporn Viyanant, Mr. Kiet Srichomkwan and 1 Executive Directors, namely, Mr. Chan Kin Tak as the Members of the Nomination and Remuneration Committee and 1 Non-Executive Directors, Namely, Mr. Marut Arthakaivalvatee as the Members of the Nomination and Remuneration Committee and Mrs. Sununya Srinoikhao as the Secretary to the Nomination and Remuneration Committee.

In 2019/20, the Nomination and Remuneration Committee conducted 3 meetings, which were attended by all members, to undertake the duties and responsibilities regarding matters assigned by the Board of Directors. The Nomination and Remuneration Committee's significant activities during the year are summarized below:

1. Considered and recommended on the Board of Directors' structure, i.e., the appropriate size and composition of the Board of Directors, taking into consideration the Company's size and business strategy in comparison with the current size and composition of the Board of Directors, as well as, reviewed the independence of each of independent directors, so as to adjust the Board of Directors' structure correspond with the Company's strategy and further proposed to the Board of the Directors' meeting for consideration and approval;

2. Determined the criteria and process for nominating a person for the position of director by considering:

- Qualifications of a director which are appropriate for and correspond with the Company's strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors;
- Appropriateness of his/her knowledge, experience, expertise and availability, as well as, other requirements as stipulated by the laws or regulations of the government authorities;
- Diversity in the structure of the Board of Directors (Board Diversity) and other qualifications that are necessary and are still lacking in the Board of Directors by making the Board Skill Matrix;

3. Nominated director candidates who have qualifications in accordance with the specified qualification criteria in the event that a director retires by rotation and recommended to the Board of Directors for approval and further proposed to the shareholders' meeting for consideration and approval;

4. Considered the structure, amount, form and criteria for all types of remuneration (monetary and non-monetary) for the Chairman of the Board of Directors, directors and members of the sub-committees, by reviewing the appropriateness of current criteria in comparison with the remuneration paid by other companies within the same industry and other listed companies with the similar market capitalisation in order to motivate and retain valuable directors with the Company, and proposed the same to the Board of Directors' approval, e.g., Providing in the director and officer insurance or D&O;

5. Considered the performance assessment criteria of the Chairman of the Executive Committee and the Chief Executive Officer and to present the result of such assessment to the Board of Directors for approval, as well as, proposed the structure, amount and form of remuneration of the Chairman of the Executive Committee and the Chief Executive Officer in both short and long term, in correspondence with the result of the performance assessment to the Board of Directors for consideration and approval;

6. Conducted the self-evaluation of the 2019/20 performance and concluded that all duties had been fully discharged as assigned by reported to the Board of the Directors' meeting, as well as, reported the result of the performance evaluation to the Board of Directors;

7. Prepared this report of the Nomination and Remuneration Committee in order to report the 2019/20 performance to the Board of the Directors and/or the shareholders, which is disclosed in the 2019/20 Annual Report;

8. Appointed the committee in order to help working in various tasks of the Nomination and Remuneration Committee, as well as, appointed the expertise independent director to give an advice;

9. Performed other actions associated with the assignments from the Board of the Director and consider the nomination as prescribed by the law or the requirements of the governance;



**Mrs. Maneeporn Siri wattanawong**  
Chairman of the Nomination  
and Remuneration Committee

# CORPORATE GOVERNANCE COMMITTEE REPORT

1.7

The Corporate Governance Committee of VGI Public Company Limited (the "Company") consists of 3 members including 1 independent director, Assoc. Prof. Jaruporn Viyanant, as the Chairman of the Corporate Governance Committee, 1 non-executive director, Mr. Marut Arthakaivalvatee, and 1 executive director, Mr. Chan Kin Tak, with Ms. Voraluck Worachuttharn, Chief Legal and Compliance Officer and Company Secretary, being designated as the secretary to the Corporate Governance Committee.

In 2019/20, the Corporate Governance Committee held 4 meetings in total and performed its duties following the work plans, in line with the duties and responsibilities of the Corporate Governance Committee as required by its Charter, which can be summarized as follows:

## **Corporate Governance and Sustainability Dimension**

- The Corporate Governance Committee has overseen the communication and training procedures via e-Learning system so that all of the Company's employees recognized and understood the essence of the Corporate Governance Policy and Code of Conduct, and ensured a due and strict compliance with relevant guidelines.
- The Corporate Governance Committee has caused the Company to declare its intention to join "The Market Governance Promotion Initiative in Celebration of the Royal Coronation" which was initiated by the Securities and Exchange Commission in collaboration with 12 organizations in the capital market, with a purpose to drive the Thai capital market towards sustainability by conducting businesses with good corporate governance and social and environmental responsibility according to the Sustainability Development Goals (SDGs) outlined by the United Nations.

## **Society, Community and Environment Dimension**

- The Corporate Governance Committee has determined work plans regarding the corporate social responsibility (CSR), with an emphasis on conducting the business with sustainable growth along with making contributions to the development of the community, society and environment, in order for the Company's CSR activities to cover various aspects, e.g. in the societal and communal aspect, there was a 1 Day 1,000 Smiles Project No. 6 initiated by VGI voluntary association (VGI ARSA) which helped building toilets and provided sport equipment to schools located in Buriram and Nong Khai, respectively, in the communal and environmental aspect, there was Reusable Vinyl Banners Donation Project for schools in Amnat Charoen for agricultural use, and in the societal and environmental aspect, there was VGI Gift for Giving Project where the Company created contents and provided advertising media of the Company to voice out and campaign for reduction of single-use plastics.

- The Corporate Governance Committee has encouraged the Company to implement the Environmental Policy to outline framework of the Company's operation with respect to environment in clear and same direction.

## **Anti-Corruption Dimension**

- The Corporate Governance Committee has overseen the renewal of the Thailand's Private Sector Collective Action Coalition against Corruption (CAC) membership until it completed and fulfilled the Company's intention. In past year, the Company has organized training programs with regard to anti-corruption guidelines to its directors, executives and employees.

In addition, the Corporate Governance Committee has considered and reviewed its Charter, the Corporate Governance Policy and Code of Conduct, and the anti-corruption measures for the year 2019/20, to ensure that such requirements and measures are adequate, appropriate, and in accordance with the Corporate Governance Code for Listed Companies 2017 of the Securities and Exchange Commission and the Stock Exchange of Thailand, including other relevant regulations.

Further, the Corporate Governance Committee has conducted its 2019/20 annual performance assessment and viewed that, overall, the Corporate Governance Committee has completely performed its duties as designated and thus prepared this report of the Corporate Governance Committee in order to communicate its 2019/20 annual performance assessment with the Board of Directors for its acknowledgement and to disclose the same in the 2019/20 Annual Report.

As a result of the Company's determination to constantly conduct business with good corporate governance relating to anti-corruption and CSR, this past year, the Company was classified in the "Excellent" or "5 Stars" level of the 2019 annual assessment of the Corporate Governance Survey of Listed Companies conducted by the Thai Institute of Directors for the fifth consecutive year and was ranked as one of the top 100 securities with outstanding performance in environmental, social and governance dimensions, which was evaluated by ESG rating agency of the Thaipat Institute.



**(Assoc. Prof. Jaruporn Viyanant)**

Chairman of the Corporate Governance Committee

## 1.8 OUR BOARD OF DIRECTORS



**Mr. Keeree Kanjanapas**

- Chairman of the Board of Directors

**Mr. Marut Arthakaivalvattee**

- Vice Chairman of the Board of Directors
- Member of the Nomination and Remuneration Committee
- Member of the Corporate Governance Committee

**Mr. Kavin Kanjanapas**

- Director
- Chairman of the Executive Committee

**Mr. Surapong Laoha-Unya**

- Director

Remarks:

<sup>1</sup> Mr. Chan Kin Tak was appointed as a member of the Risk Management Committee by the resolution of the Board of Directors' Meeting No. 8/2019 held on 8 November 2019.

<sup>2</sup> Mr. Kiet Srichomkwan was appointed as the Chairman of the Risk Management Committee by the resolution of the Board of Directors' Meeting No. 8/2019 held on 8 November 2019.





**Mr. Kong Chi Keung**

- Director

**Mr. Chan Kin Tak<sup>1</sup>**

- Director
- Member of the Nomination and Remuneration Committee
- Member of the Corporate Governance Committee
- Member of the Executive Committee
- Member of the Risk Management Committee

**Assoc. Prof. Jaruporn Viyanant**

- Independent Director
- Chairman of the Audit Committee
- Chairman of the Corporate Governance Committee
- Member of the Nomination and Remuneration Committee

**Mrs. Maneeporn Siriwatanawong**

- Independent Director
- Member of the Audit Committee
- Chairman of the Nomination and Remuneration Committee

**Mr. Kiet Srichomkwan<sup>2</sup>**

- Independent Director
- Member of the Audit Committee
- Chairman of the Risk Management Committee
- Member of the Nomination and Remuneration Committee

# 1.9 OUR MANAGEMENT



**Mr. Kavin Kanjanapas**

- Chairman of the Executive Committee



**Mr. Lap Shun Nelson Leung\***

- Member of the Risk Management Committee
- Member of the Executive Committee
- Chief Executive Officer



**Mr. Chan Kin Tak\***

- Member of the Nomination and Remuneration Committee
- Member of the Corporate Governance Committee
- Member of the Risk Management Committee
- Member of the Executive Committee
- Chief Operating Officer



**Mrs. Oranuch Rujirawona\***

- Member of the Risk Management Committee
- Member of Executive Committee
- Chief Sales Officer



**Mrs. Chitkasem Moo-Ming\***

- Member of the Risk Management Committee
- Member of the Executive Committee
- Chief Financial Officer

Remark:

\* Mr. Lap Shun Nelson Leung, Mr. Chan Kin Tak, Mrs. Oranuch Rujirawona, Mrs. Chitkasem Moo-Ming and Ms. Voraluck Worachuttharn were appointed as members of the Risk Management Committee by the resolution of the Board of Directors' Meeting No. 8/2019 held on 8 November 2019.





**Ms. Voraluck Worachuttharn\***

- Member of the Risk Management Committee
- Member of the Executive Committee
- Chief Legal and Compliance Officer
- Company Secretary



**M.L. Kriengkrai Hastindra**

- Member of the Executive Committee
- Deputy Chief Sales Officer  
(not an Executive as defined by the SEC)



**Ms. Daranee Phanklin**

Financial Controller



**Mrs. Pitchapaksorn Jitopas**

Billing and Accounting Director



# 2

## BUSINESS HIGHLIGHTS AND OUTLOOK

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## 2.1 OUR HISTORY

Since VGI was established in 1998, we have been committed to being Thailand's most customer-oriented media company. Today, we are an Offline-to-Online ("O2O") Solutions provider with a comprehensive ecosystem spanning Advertising, Payment and Logistics platforms. Our mission is to be the leader in designing pioneering experience for consumers. Through our ecosystem, we are able to deliver unique solutions to meet the demands of advertisers and brands. We also strive to build innovative and sustainable businesses for stakeholders, society and the environment.

### 1990s – 2009 Bangkok Centric Network

- 1990s ▶ Keeree Kanjanapas founded the Bangkok Transit System Public Company Limited (BTS), operator of Bangkok's famous BTS SkyTrain.
- 1998 ▶ His son as business successor, Kavin Kanjanapas then invented the new concept and business model of BTS SkyTrain financed by advertising, laying the foundations for the company's future success. VGI Global Media was born.
- 1999 ▶ The BTS SkyTrain system was officially opened. VGI was granted the exclusive 30 years right from BTS to manage the advertising spaces and commercial areas on all BTS network.
- 2009 ▶ The Company acquires 100% of Point of View Media Group Company Limited, whose business is providing advertising service across premier office buildings in Bangkok CBD.

### 2012 – 2016 Nationwide Out-of-Home Network

- 2012 ▶ VGI becomes a publicly traded company on the Stock Exchange of Thailand.
- 2013 ▶ VGI includes as a constituent member of SET100 Index.
- 2014 ▶ VGI includes as a constituent member of SET50 Index<sup>1</sup>.  
▶ VGI selects to be the "Best under a Billion" of small and midsize listed companies by Forbes.

<sup>1</sup> VGI was excluded from SET50 member in July 2015.



2015

VGI establishes its nationwide network coverage through acquisitions of companies operating in the Out-of-Home (“OOH”) business: –

- ▶ Expanding its stake in Master Ad Public Company Limited (“MACO”) to 37.4%<sup>2</sup> – the leading company in outdoor and street furniture media in Thailand – from the 25.0% stake it held since 2014.
- ▶ VGI acquires 30.0% of Aero Media Group Company Limited, which manages media in prime airports across Thailand.
- ▶ VGI acquires a 40.0% stake in Demo Power (Thailand) Company Limited, the largest demonstration services business in Thailand.

## 2017 – Present O2O Solutions Provider

2017

- ▶ VGI acquires 90.0% of the shares in Bangkok Smartcard System Company Limited and BSS Holdings Company Limited (collectively known as Rabbit Group), which provide digital assets from its payment services.

2018

- ▶ VGI unveils a new vision: “Pioneering Solutions for Tomorrow”. Having expanded its business offerings from the traditional offline OOH media to embrace an integrated offline and online platform, we envision ourselves as the industry’s leading provider of O2O Solutions; ultimately aiming to optimise customer engagement and deliver a seamless customer experience.
- ▶ VGI acquires 23.0% in Kerry Express (Thailand) Public Company Limited, the country’s leader in parcel delivery. This acquisition is a significant step for VGI to establish an O2O ecosystem covering Advertising, Payment and Logistics business.
- ▶ For the first time, VGI tops the “NEXT 1,000” by Nikkei ranking of midsize 1,000 ASEAN Companies with sales of USD 100mn.

2019

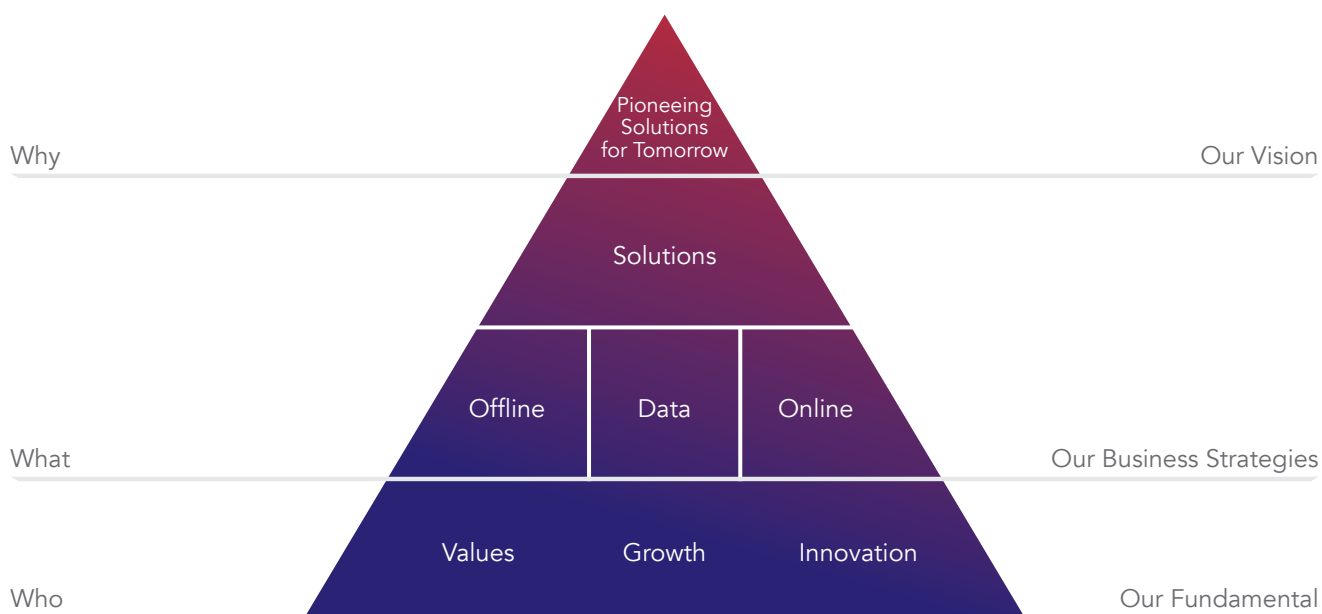
- ▶ VGI announces VGI’s new logo and brand. The rolling out of new branding is a remarkable effort to reflect change, the repositioning of VGI’s business will be combined as a single brand identity and growth.
- ▶ VGI acquires 18.6%<sup>3</sup> stake in Plan B Media Public Company Limited, Thailand’s leading OOH advertising media provider. This partnership will place both companies at the top of Thailand’s OOH market with more than THB 12,000mn worth in media capacity.

<sup>2</sup> As of March 2020, VGI held 26.6% in MACO.

<sup>3</sup> As of March 2020, VGI held 19.9% in PlanB.

## 2.2 OUR STRATEGY

Value, growth and innovation are the core elements forming the foundation of our business. Together, they define our strategic direction and structural plan, which constitute the driving force behind our Company's vision to be the "Pioneering Solutions for Tomorrow".



### Value

We believe in long-term value creation. Creating sustainable value for our shareholders, partners and society is our fundamental principle.

### Growth

We aim to achieve industry-leading growth. Strengthening our unique business units and partnering with key complimentary market leaders around the world is our key growth differentiator.

### Innovation

We commit to digital, technologies and R&D excellence to develop and launch new generation products and solutions that meet ever-changing consumer demands.

### BUSINESS STRATEGIES OF OUR SEGMENTS



Targeting



Purchase intention



Right time, Right place



Measurable





## OFFLINE

As communication channels become more fragmented, a one-stop-shop media solution is becoming more relevant. Consolidation is the key to our success. VGI is already the leader in Out-of-Home media (“OOH”) in Thailand.

Our media portfolio covers all forms of OOH advertising such as Transit, Billboards, Street, Buildings and Airports. This business unit is expected to see continued growth substantially, with mass transit line expansion; increased building supply; billboard and street portfolio expansion through new licensing agreements and external collaborations; and the increasing popularity of low cost airlines. Furthermore, we are focusing on expanding our presence in key ASEAN markets, such as Malaysia and Indonesia as well as other countries in the region.

To ensure we remain at the top in the OOH advertising industry, we intend to unlock greater value from our OOH media portfolio through the digitalisation of our top value OOH media assets to offer innovative premium products.



## DATA

Determining the right target audience can no longer be based on simple demographic terms. To know your customers, it is crucial to fully grasp their interests, behaviour and decision-making processes. The superior quality of the data and depth of information we possess allow us to engage our target audience with the right advertising messages, at the right time, throughout our customer touchpoints.

Our key vertical move to compliment our existing business portfolio involves the expansion of our payment network through our subsidiary, Rabbit Group and partnerships with its strategic alliances. In addition, to enhance the performance of our products and solutions, we constantly experiment and pivot the use of data with various targeting technologies. With such dedication, we can attract, develop and retain the best talents to build a strong data scientist team.



## ONLINE

Digital and online marketing has become one of the key channels for advertising driven by the acceleration of internet access and the increasing popularity of smartphones. Advertisers can use these channels to reach a wider audience, whether in city centres or elsewhere. We are pioneering in this unique online field which enables us to integrate online and offline media inventories into one single end-to-end advertising platform.

## SOLUTIONS

In a period of historical soft media advertising spend and structural and behavioural shifts, competitive pressure is heightened. By broadening our exposure to OOH media – which continues to grow solidly – VGI has deftly positioned itself to benefit from new paradigms while augmenting its service offerings with potentially more effective, targeted and more readily measurable solutions. Our strategy is clear, strengthening the integration of our offline to online platform, spanned by the continual enrichment of our data sources, to provide optimal Offline-to-Online Solutions for our clients.

## 2.3 IMPORTANT EVENTS IN 2019/20

2019/20 was a successful year for VGI. This was mainly due to the consistent implementation of our strategy to provide Offline-to-Online ("O2O") Solutions through our complete ecosystem across Advertising, Payment and Logistics platforms. With an effective strategy coupled with our focus on the right market segments, we are able to meet the demands of advertisers and brands as well as offer a better experience for consumers at every touch point.

2019

### APRIL

- ▶ VGI acquired 25.0% in Ads Chao Phraya Company Limited, an outdoor media provider which on boats and port along Chao Phraya River. This partnership enables the Company to expand our media inventory to boat transportation and capture new target audiences.

### MAY

- ▶ VGI established a joint venture named V-Click Technology Company Limited ("V-Click"). V-Click is the joint venture between iClick Interactive Asia Group Limited ("iClick") (49.0%) – the largest online marketing and data technology platform in China, VGI (30.0%) and others (21.0%). Leveraging the digital strengths and extensive local networks of iClick and VGI, V-Click helps provide its clients with comprehensive insights and ability to deepen their engagement with the lucrative Chinese outbound traveler market through a comprehensive suite of digital marketing technology, based on iClick's 780mn consumer profiles.

### JULY

- ▶ VGI formally changed its name from VGI Global Media Public Company Limited to VGI Public Company Limited to reflect the repositioning of the business, where the multiple platforms combine into a unified brand.

### AUGUST

- ▶ VGI established a joint venture named SLV Retail Company Limited ("SLV") with SAHA Lawson Company Limited ("SL") – Japanese style convenience store and SAHA Pathana Inter-Holding Public Company Limited ("SPI") – Thailand's largest consumer product provider, collectively called 'SAHA Group'. The joint venture was hold 30.0% by VGI, 60.0% by SL and 10.0% by SPI. Currently, SLV has already opened 12 Lawson 108 convenience stores along our mass transit platform as well as offering Rabbit card and Rabbit LinePay as an option for cashless payments.



2020

## JANUARY

- ▶ Master Ad Public Company Limited (“MACO”) has successfully completed the following transactions 1) the acquisition of 50.0% in Hello Bangkok L E D Company Limited 2) the issuance of 1,080mn newly issued shares through Private Placement to Plan B Media Public Company Limited (“PlanB”) and 3) an agreement with PlanB on Advertising Media Management and Service Agreement. Following to the sale of MACO’s new shares to PlanB, VGI has diluted its shareholding in MACO from 33.17% to 26.55%. In addition, VGI has also reduced the number of representatives in MACO’s Board of Directors to 2 out of 7 persons; thus, it has no longer have control in MACO. This resulted in the change in status of MACO from a subsidiary to an associate company.
- ▶ Following the transactions, VGI continue to focus on strengthening its O2O Solutions as well as enhancing synergies across its subsidiaries and associate companies. MACO focus on international expansion and being the proprietor of Outdoor domestic assets, while its domestic media assets has been managed by PlanB.

## 2.4 BUSINESS ASSESSMENT 2019/20



### ACHIEVING REVENUE TARGET WITH RECORD BREAKING NET PROFIT

2019/20 has been a very lucrative year for VGI by achieving our full-year financial performance target. Our revenue has reached at THB 4,000mn or increased 10.8% YoY with recorded-breaking net profit of THB 1,424mn, an increase of 29.3% YoY. This success was shaped by the consistent implementation of our strategy to provide an Offline-to-Online Solutions spanning across Advertising, Payment and Logistics platforms, which started since 2017.

**Transit media** revenue decreased by 9.2% YoY to THB 2,184mn, while **Office and Other media segment** revenue decreased by 9.9% YoY to THB 371mn. The decrease was mainly resulted from a digital transformation impact on BTS stations and lower utilisation rate of Office media. Moreover, the COVID-19 pandemic, which started since early of 2020, has a looming impact to the overall advertising industry causing companies to be more efficient on their advertising.

**Outdoor media segment** revenue grew by 11.1% YoY to THB 294mn. The growth was mainly from higher utilisation rate of street furniture media, which VGI was acting as assets manager for Master Ad Public Company Limited ("MACO") since 2014. Nevertheless, this contract had been expired since December 2019.

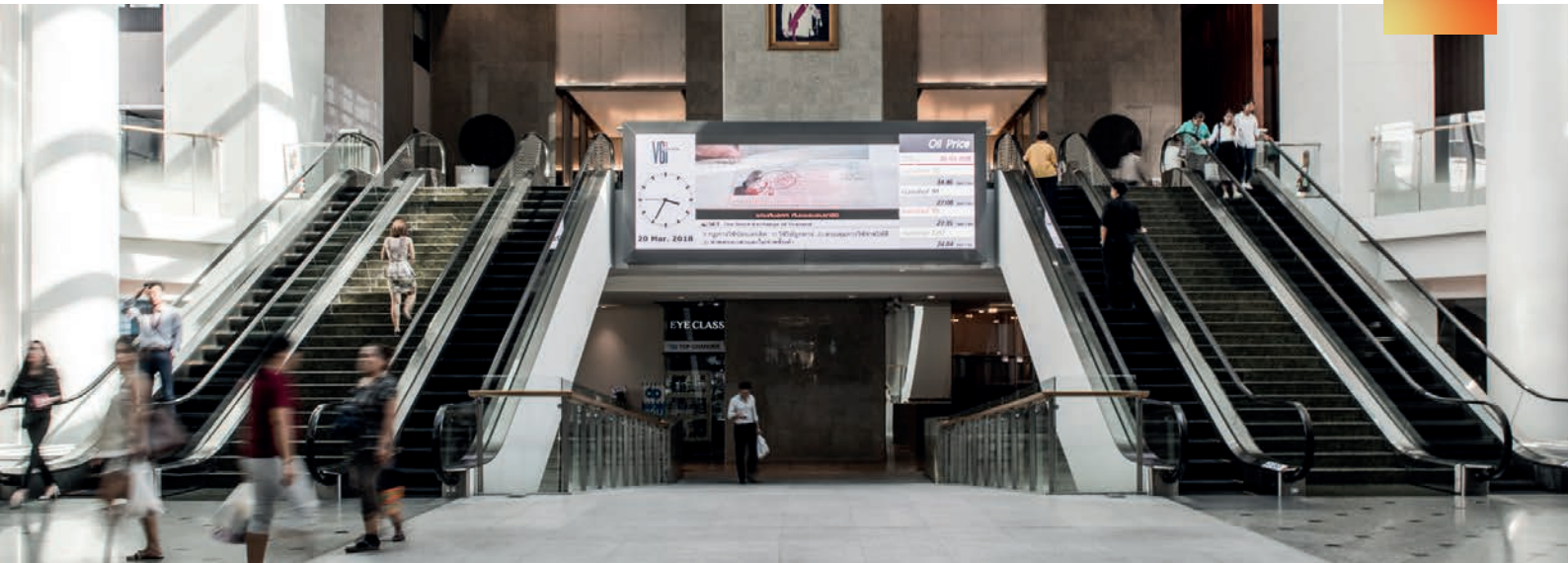
Going forward, all of MACO's domestic media assets will be managed by Plan B Media Public Company Limited. Therefore, the Company would no longer present this business segment in our analysis starting from 1Q 2020/21 onwards.

**Digital Services segment** revenue at THB 1,151mn, significantly grew by 117.5% YoY. The growth was mainly driven by the revenue recognition of online advertising managed by VGI Digital Lab, which is a comprehensive online media agency. During its first year of operation, VGI Digital Lab successfully generated revenue surpassing its revenue target at THB 150mn. In addition, the growth in this segment also attributable to an organic growth from project management fees, commission fee and higher lead generation revenue under Rabbit Group.

#### Remark:

The Company had completed the deconsolidation of MACO from its financial performance, which resulted from the change in status of MACO from subsidiary to an associate company, effective since 30 January 2020. Therefore, part of our 2018/19 Outdoor media revenue, which was directly managed by MACO and the revenue from Trans.Ad Group, under our Digital services segment, was restated from our profit and loss statement. Going forward, the Company will only recognise MACO's financial performance as share of profit (loss) from the investment.





## 2020/21 OUTLOOK

For 2020/21, we expect to see negative impact on our Advertising business, though our online agency is expected to continue to grow solidly thanks to the increase demand for online advertising. As for Payment, although both offline and online payments are expected to be affected by lower ridership and restrictions on retail operations, online payment is still believed to be the preferred method of consumers. Lastly, our Logistics business through Kerry Express (Thailand) Public Company Limited is expected to remain resilient due to the change in consumer behaviour. Despite the uncertain outlook resulting from the COVID-19 pandemic, we will strive to maintain our strong financial position by focusing on reduction of expenses and postponement of new investments.

In light of continual uncertainty surrounding COVID-19 and the constantly evolving measures, it is difficult to assess the impact of the pandemic on our financial performance comprehensively. Therefore, the Company is unable to provide a prudent financial guidance for 2020/21 at this time. However, we aim to provide the guidance when the effects can be concretely estimated.

## 2.6 AWARDS AND ACHIEVEMENTS IN 2019/20

In 2019/20, VGI was recognised for our success in transitioning from traditional Out-of-Home Media Company into an integrated Offline-to-Online (“O2O”) Solutions provider. This strategic move is the key to our strength and sustainable growth, which leads to greater confidence among our clients, investors and partners.



- ▶ VGI won Thailand's Top Corporate Brands Award 2019 for achieving the highest corporate, valued at THB 88,693mn as of 9 September 2019, solidifying the success of the Company's strategic transformation from provider of Out-of-Home media to the O2O Solutions.



- ▶ The Company won 4 Business Excellence accolades at the SET Awards 2019: Outstanding CEO Award, Young Rising Star CEO Award, Outstanding Company Performance Award and Outstanding Investor Relations Award. This recognition reflects the strength of VGI's outstanding strategic management process that has driven it towards consistent and sustainable growth.



- ▶ VGI sets another remarkable record as the only company within the Thai media industry to be listed in the Stock exchange of Thailand SET50 Index of January – June 2020. Our entry into the SET50 Index is a reflection of investor confidence in our robust business foundation.



# 3

## INDUSTRY DEVELOPMENTS AND VGI ECOSYSTEM

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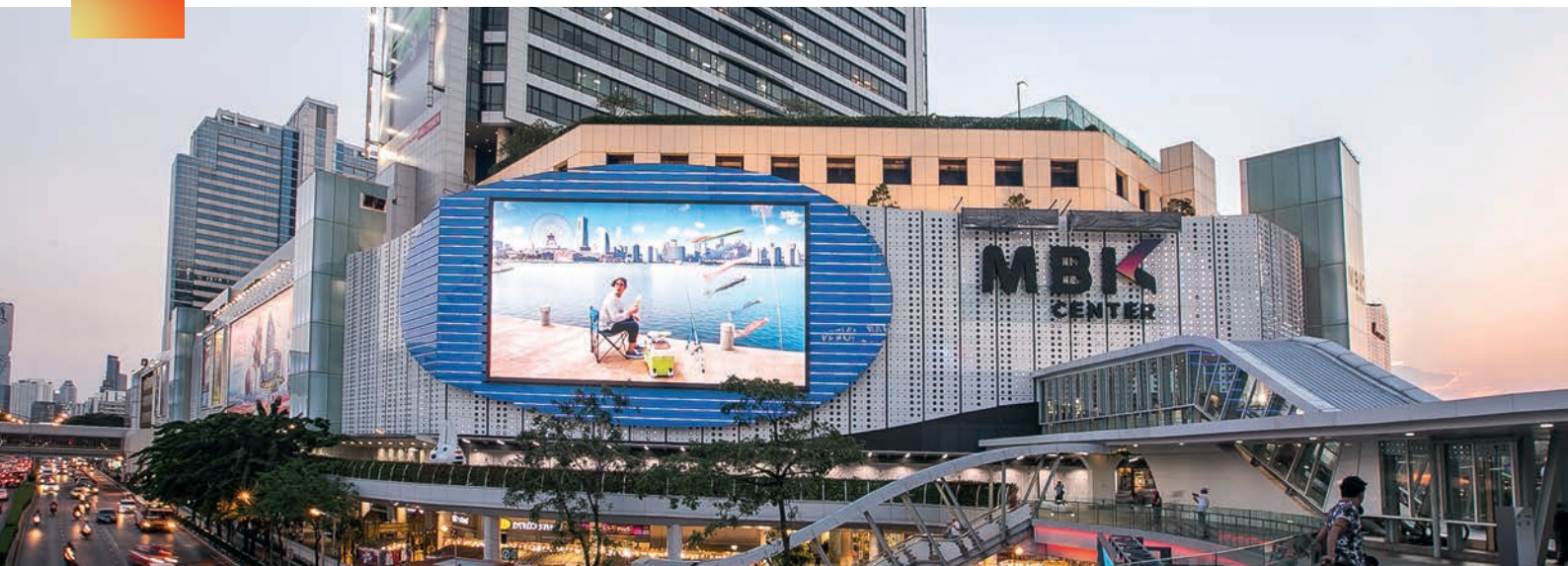
**3.1** Industry Developments

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**3.2** VGI Ecosystem

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## 3.1 INDUSTRY DEVELOPMENTS



### ADVERTISING INDUSTRY

The Bank of Thailand ("BOT") reported a GDP growth of 2.4% YoY in 2019 (down from the BOT's original estimate at 4.0%), the slowest rate since 2014. This was mainly due to the ongoing tension resulting from the US and China's trade war as well as the appreciation of the Thai Baht, which directly led to a 3.2%<sup>1</sup> decline in the export sector. Nevertheless, the slower-than-expected GDP growth was partially offset by the expansion of private consumption and improving private investments. Advertising expenditures<sup>2</sup> grew by 2.2% to THB 125,228mn. The TV and Cable sectors, which have the highest market share at 56.1%, saw a decline of 0.1% YoY to THB 70,298mn; whilst Traditional media (Newspaper, Magazines and Radio), with 8.3% market share, declined by 14.7% YoY to THB 10,415mn. Meanwhile, VGI's core businesses – Out-of-Home ("OOH") media and digital media – grew by 4.1% YoY to THB 14,553mn and 14.0% YoY to THB 21,124mn, respectively.

The Thai advertising market has been shaped by major developments over the past few years. Traditional media such as television, newspaper, magazine and radio has been in steady decline, while OOH and online/digital media have become the go-to choice of advertisers. The expansion of OOH and online/digital media has been encouraged by several factors, including lifestyle changes, with the urban population spending more time outside

their homes; the rapid increase in the number of internet users (today the internet penetration rate in Thailand stands at 75.0%, while the average time a consumer spends on the internet via communication devices is around 541 minutes per day<sup>3</sup>, a significant increase from 300 minutes per day in the past few years) and the growing recognition of these media as effective and measurable advertising and marketing tools.

Within the OOH media landscape, the trend has shifted from the sole focus on OOH platform to an integrated platform connecting the offline and online worlds. This new approach has proven effective in helping advertisers reach the desired target audience rather than reaching a large audience via mass communications and meet their objectives in creating awareness, engagement and conversion. In this exciting environment, companies able to adapt themselves are more likely to survive and outperform their counterparts.

Nielsen study in 2017 reveals OOH is the second fastest growing media category, with OOH medium providing the highest rate of online activation per dollar of any offline media. It is found to be even more effective than digital banner ads. Advertisers are building on this, using cross-channel campaigns that span OOH placements and mobile ads, often tied to specific forward as more campaigns continue the conversation across multiple media channels not only on just a single media outlet.

<sup>1</sup> BOT

<sup>2</sup> Nielsen Company (Thailand) and Digital Advertising Association (Thailand) ("DAAT")

<sup>3</sup> We are social, Hootsuite, Jan 2020

In addition, digital technologies have led to the significant growth of OOH advertising. Future Market Insights<sup>4</sup> expects Digital OOH to grow substantially globally by 11.0% CAGR over the forecast period of 2018 – 2028. The promising potential from the integration of OOH and online/digital media will enable both sectors to actually take over market share from the overall advertising spending, particularly from traditional media sector, due to their ability to offer a potent combination of higher quality and more dynamic advertising, more impact, more precise targeting and more effective outcome measurement.

### E-COMMERCE INDUSTRY (PAYMENT AND LOGISTICS)

The Electronic Transactions Development Agent (“ETDA”) reveals the Thai e-Commerce market value was THB 3,150bn in 2018, an increase of 27.2% per year since 2012, when the market value was THB 744bn. Such growth was mainly pushed by Thailand’s high internet penetration rate of 75.0%, which is one of the highest in Southeast Asia; the average time a consumer spends on the internet via communication devices; and a growing middle class with higher purchasing power.

The expansion of the e-Commerce market has significantly influenced the Thai government to launch the Digital Thailand 4.0 programme in order to support and accommodate digital payments. Under this programme, the government has allocated budget to build a nationwide broadband network, installing more than 550,000 electronic data capture (EDC) terminals across the country as well as launching the PromptPay service, which allows registered customers to transfer funds using only their mobile numbers or citizen ID. Such initiatives have brought new wave of opportunities for the digital payment sector as it is an integral and flexible part of the e-Commerce market. This has in fact been reflected in a strong growth in digital payment overview with the digital transaction volume in 2019 increasing by 180.3% to 8,985mn from 2016, and the digital transaction per user per year jumping significantly from 49 in 2016 to 89 in 2018<sup>5</sup>. This massive expansion in digital payments is also driven by demands arising from an increase in the number of internet users and mobile phones, and an influx of innovative technology allowing for more convenient transactions.



The rise of e-Commerce is also fueling enormous growth in logistics as it is the final platform connecting sellers with end-consumers. With burgeoning demands from both online retailers and consumers, the opportunities for Thailand’s logistics industry are endless. A perfect example of this new phenomenon is the proliferation in the number of customers of Kerry Express (Thailand) Public Company Limited (“Kerry”), an associated company of VGI. Back in 2012, Kerry’s service was dominated by corporate customers or Business-to-Business (B2B), however the increasing pervasiveness of e-Commerce has shifted its operations to around 60% Consumer-to-Consumer (C2C) in 2019. Thanks to the booming E-Commerce activities, Kerry was also able to handling 2mn parcels at peak in 2019, up from 8,000 parcels in 2012, a 250X increase.

Given that Thailand’s e-Commerce to retail penetration rate is still immature compared to developed countries’, the digital payment and logistics sectors are well-positioned to accommodate and propel further growth of e-Commerce in the country moving forward.

<sup>4</sup> Future Market Insights is the premier provider of market intelligence and consulting services in over 150 countries.

<sup>5</sup> BOT



## 3.2 VGI ECOSYSTEM



ADVERTISING



PAYMENT



LOGISTICS

VGI starts our business from solely being a media rental company providing traditional Out-of-Home (“OOH”) advertising, which previously focusing in Bangkok areas. The Company’s vision for sustainable growth has led VGI to expand media network across Thailand by making strategic partnerships with several leading companies. With rapid technological advancements, we see tremendous opportunities that have led to the strategic integration of Payment and Logistics. Currently, the Company is focusing on 3 main businesses comprising 1) Advertising, 2) Payment and 3) Logistics.

The categorisation of accounting for each of these platforms is different, with Advertising recorded under the OOH media segment; Payment under the Digital Services segment, and most of the Logistics performance recorded under the equity method.

### 3.2.1 ADVERTISING BUSINESS

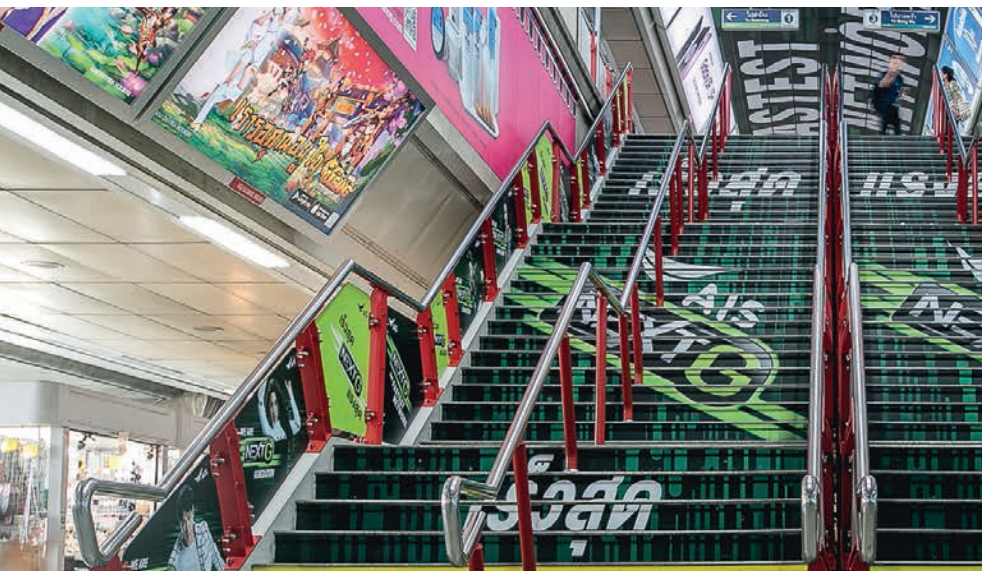
Our advertising business consists of 2 principal segments including OOH and Online and Digital Marketing. Our OOH is comprising of 1) advertising in transit network (“Transit media”), 2) advertising in office buildings (“Office media”), 3) billboards and street furniture advertising (“Outdoor media”), 4) advertising in airports (“Aviation”) and 5) demonstration services (free products sampling) in modern trade and on BTS station (“Activation”). Transit and Office media are managed by VGI itself. Outdoor media is managed through a 26.6%<sup>1</sup> and 19.9% stake in Master Ad Public Company Limited (“MACO”) and PlanB Media Public Company Limited (“PlanB”), respectively. Aviation and Activation media are managed through a 30.0% stake in Aero Media Group Company Limited

(“Aero Media”) and 40.0% shareholding in Demo Power (Thailand) Company Limited (“Demo Power”). The Online and Digital Marketing is under the business unit named VGI Digital Lab which is a comprehensive online media agency.

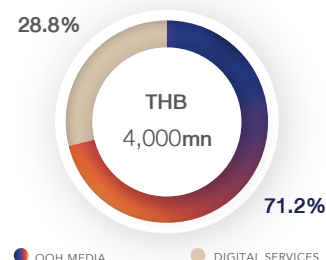
#### 1. KEY DEVELOPMENT IN 2019/20

- VGI has set a new business unit named ‘VGI Digital Lab’, which is the data-driven digital marketing arm of the Company. VGI Digital Lab focuses on creating online/digital marketing campaigns based on the Group’s Data Management Platform (DMP) to deliver precisely targeting and higher end conversion performance.
- After the acquisition in PlanB in March 2019, VGI and PlanB has already tapped into considerable synergies by launching new media packages such as Bangkok Takeover, Street Combo and Bangkok Combo. The packages were the combination of VGI, PlanB and MACO media such as digital screens at BTS SkyTrain and Metro network as well as Street furniture media, which allowed advertisers to communicate and drive brand impact to consumer in the heart of Bangkok area and main route with massive traffic. With PlanB’s media, engagement marketing and VGI’s O2O Solutions, both companies will be able to create new media packages that are powerful and measurable, which in turn will allow us to capture the market share beyond OOH market.
- VGI successfully rolled out 40 of its 45 metre-wide digital screens, named “VGI Immerse” on 4 BTS stations: Chong Nonsi, Asoke, Phrom Phong and Sala Daeng. VGI Immerse is able to deliver more impact

<sup>1</sup> On 30 January 2020, MACO had issued 1,080mn newly issued share to PlanB, thereby VGI has diluted its shareholding in MACO from 33.17% to 26.55%. In addition, the Company reduced the number of representatives in MACO’s Board of Directors to 2 out of 7 persons; thus, it has no longer have control in MACO. This resulted in the change in status of an investment in MACO from a subsidiary to an associate.



REVENUE CONTRIBUTION  
(% of total operating revenue)



OOH Media Revenue	
2018/19	2019/20
THB 3,081mn	THB 2,848mn

and exclusivity for brands by creating physical communication channels that capture a greater share of audience attention through a combination of creative ads, visual and audio cues.

- MACO acquired an additional 40.0% in Puncak Berlian Sdn. Bdh. ("PBSB"), resulting in a total shareholding of 65.0%. PBSB is a holding company, which engages in the OOH media business in Transit media and Aviation in Malaysia and Indonesia. This acquisition enables MACO to maximise the selling capacity of PBSB's network and develop marketing channels in overseas markets efficiently. The acquisition was a reflection of MACO's strategy to move toward international expansion

## 2. NETWORK, PRODUCTS AND CONCESSIONS

### 2.1 TRANSIT

#### NETWORK

The Company has rights to manage advertising space across the BTS SkyTrain core network and extensions (collectively, "BTS Network"), which run through key commercial, residential and office areas of central Bangkok. The BTS Network covers 30 stations (including 7 extension stations) with a combined track length of 31.0km as well as 98 BTS trains (392 carriages). Transit media on the BTS Network has one of the highest viewer exposure in the OOH media sector, with an average of more than 735,385 viewers per day in 2019/20<sup>2</sup>.

<sup>2</sup> BTS Group Holdings Plc ("BTSG")

## PRODUCTS

The Company caters to advertisers at all levels through a diversified Transit media product portfolio that captures both large groups of viewers and targeted audiences. Our products are widespread across trains and stations, where BTS's passengers are able to see our media during their journey on the BTS Network. Our media on the BTS Network is categorised into 2 main products comprising of media space rental and merchandising space rental.

### • Media Space Rental

VGI offers 2 main types of media platform on the BTS Network comprising of static and digital media. Our Transit media originated from static media and we currently have over 20,000 static displays, such as train wraps (inside and outside the trains), stairs, ticket office and advertising on station platforms. One of our most popular static media is the full train sponsor, which display advertising cover both inside and outside BTS train body as well as LCD screen in train. This product is similar to a giant moving billboard that courses through Central Bangkok, captivating the attention of transit patrons, motorists and pedestrians in a unique way.

The increasing proliferation of digital media has reshaped the media landscape significantly. Digital media is now the key feature of Transit media as it provides advertisers with flexibility and scalability to communicate messages to a target audience through frequent delivery of dynamic images. We have over



2,000 digital screens in trains and on stations in the form of LCD screens in trains, Platform Truss LEDs, Platform Screen Doors and E-Posters. With the introduction of digital media, we are now able to offer innovative products that integrate digital and static media such as our Platform Truss LEDs, which synchronises with the movement of the incoming train to display the same advertisements as the train wrap when the train arrives at the station.

- **Merchandising Space Rental**

The Company has the rights to manage merchandising space on 30 BTS stations and is responsible for investment of the utility system and maintenance of the stations for the duration of the contract. Construction and decoration of the shops, which must be approved by the Company, are the responsibility of the tenants, along with utility expenses according to actual usage. As of 31 March 2020, merchandising space comprised of approximately 8,244 sq.m. with more than 1,105 shops and kiosks for rent. In terms of rental duration, we provide short term contracts of 3 to 6 months for kiosks and medium term contracts of 1 to 3 years.

## CONCESSIONS

- **Core Network Concession**

The Company was granted the rights to manage advertising space across 23 stations on the core network from our parent company, Bangkok Mass Transit System Public Company Limited ("BTSC") from 18 May 2012 to 4 December 2029. A percentage-based revenue sharing scheme is applied to the core network contract and paid to BTSC on an annual basis. The revenue shared is determined by a percentage of the Transit media revenue generated from the core network, starting at 5.0% on the effective date of the contract (18 May 2012) and increasing by 5.0% every 5 years to a maximum of 20.0%.

- **Extensions Concession**

In May 2015, the Company was granted the rights to manage advertising space across 7 stations on the extensions to the core network from BTSC and Bangkok Metropolitan Administration ("BMA") from 6 May 2015 to 4 December 2029 and a fixed rate concession fee is paid to BMA.

## 2.2 OFFICE

### NETWORK, PRODUCTS AND CONTRACTS

VGI offers two types of networks under building media: Office media and the recently acquired Residential Building media. Office media includes digital screens which are installed inside office building elevators as well as other waiting areas inside office buildings, such as lobbies. Residential Building media consists of digital screens in residential buildings. Office and Residential Building media, particularly inside the elevators, are considered captive media as there is confined space where the media are placed and people are usually idle; therefore, the audience's attention tends to be more focused towards the advertisements. Advertisements in the elevators are extremely successful at being viewed frequently due to their high traffic, as it is the only practical means of accessing high-rise office building, and are seen several times a day. As of 31 March 2020, VGI owned the largest Office media network with 186 office buildings and 1,411 screens which are centrally-controlled from VGI's head office.

Our Office media is also being complemented by a horizontal expansion into an adjacent segment. In November 2015, VGI became an exclusive sales agent for Artista Media Limited Partnership (ARTISTA) across 319 residential buildings under leading brands such as AP, LPN and Grand Unity Development, making VGI the largest media company in the country to provide advertising services in office and residential buildings, covering 505 buildings with over 2,173 screens.

The duration of each contract is typically 3 to 5 years and VGI has sole exclusive rights during the contractual term. Other individuals are not permitted to advertise inside the elevators, at the lift lobby or within 20 – 30 meters from the lift lobby area. Remunerations for the buildings' landlords depend on each agreement; some landlords require annual fixed rates while other landlords require revenue sharing with annual minimum guarantees.

## 2.3 OUTDOOR

Outdoor media segment, which we operate through MACO, is another focus area for the Company. Following to MACO's agreement with PlanB on Advertising Media Management and Service Agreement, PlanB has become an exclusive selling agent for all domestic media assets of MACO, while MACO will only be the owner for those assets. After this restructuring, MACO will focus on international expansion across the ASEAN market, which

they have already laid the strong foundation for growth in Malaysia and Indonesia as well as expanded its footprint into Vietnam market. With MACO's extensive network, VGI has now expanded its presence from Thailand to ASEAN region. (Please find more details of the Outdoor media segment in 2019 MACO's annual report <http://maco.listedcompany.com/misc/ar/20200429-maco-ar2019-en.pdf> and 2019 PlanB's annual report <https://investor.planbmedia.co.th/misc/ar/20200320-planb-ar2019-02.pdf>)

## 2.4 AVIATION

The Company entered into Aviation market through an initial 20.0% investment in Aero Media in 2015, which has since been increased to 30.0%. Aero Media was granted the rights to provides media services for domestic airports throughout Thailand.

## 2.5 ACTIVATION

VGI has expanded the business into demonstration business, known as direct sampling, through a 40.0% investment in Demo Power. With more than 20 years of experience, Demo Power is the largest trial and demonstration service company in Thailand covering more than 1,000 locations nationwide and is the largest player in this market. Demo Power's network includes exclusive partnership with the top retailers in Thailand to manage the entire process of demonstration in Big C, Tesco Lotus, Tops Supermarket and Villa Market as well as commercial space at BTS, MRT, office buildings and popular theme parks.

## 2.6 ONLINE AND DIGITAL MARKETING

Nowadays, advertising world has dramatically changed as advertisers' demand for the total solutions to meet their marketing objectives – Awareness, Engagement and Conversion. VGI is aware of this trend, hence, we established a new business unit named VGI Digital Lab which is a comprehensive online media agency. The core product, customer data platform (CDP), aggregate and combines real purchase data across our platforms – Advertising, Payment and Logistics. Purchase or transaction data is the best indicator of future buying behavior and we can build targeted audience for digital marketing which delivers higher end conversion performance for our clients when compared to the standard practice of targeting based on online behavior. With growing popularity, the service received higher demand from both local and global brands.

<sup>3</sup> The Bureau of Registration Administration, Department of Provincial Administration, Ministry of Interior.

<sup>4</sup> BTSG

## 3. ENGINES FOR GROWTH

### 3.1 5 – 6X ORGANIC GROWTH FROM BTS EXPANSION

Currently, the total length of existing rail mass transit lines is only 152.4km (including BTS SkyTrain, MRT Subway and Airport Rail Link), mainly covering areas around the city center. The pervasion (defined as rail mass transit length per million population) in Bangkok has reached merely 13.9km<sup>3</sup> per million of the Bangkok population, far behind those of other developed countries. As such, the government has made the expansion of public transportation infrastructure a top priority on the national agenda. The latest Mass Rapid Transit Master Plan in the Bangkok Metropolitan Region (M-MAP, 2010 – 2029) outlines an aggressive plan to develop rail mass transit into a more mature network. The Ministry of Transport's Office of Transport and Traffic Policy and Planning (OTP) targets to have 12 routes with a total rail length of 515.2km across Bangkok and vicinities by 2029. The expansion of the rail mass transit network such as the BTS SkyTrain, MRT Subway and Airport Rail Link can all expect to receive mutual benefits as the lines act as a feeder to each other, which gives potential opportunities for Transit media companies to tap into the rail mass transit expansion network.

As of 31 March 2020, the BTS Network was able to capture around 35.4% of the market share in terms of distance. However, BTS is the leader in terms of ridership with a market share based on weekday ridership of 62.0% on the entire network as it is located in the Central Business District area in Bangkok<sup>4</sup>. In terms of advertising, the higher ridership translates to more viewers or "eyeballs" of our advertising; therefore, the growing number of eyeballs will make our Transit media increasingly valuable to media advertisers. Despite this, the existing rail mass transit is still immature. In the next 4 years, the government and the BMA are planning to implement an additional 162.0km of which BTS is well positioned to secure a total of 77.5km. Therefore, VGI stands to benefit immensely from the mass transit network expansion and we expect that our media capacity will increase up to 5 to 6 times in terms of number of trains and stations once BTS has secured and operates all of the new lines.

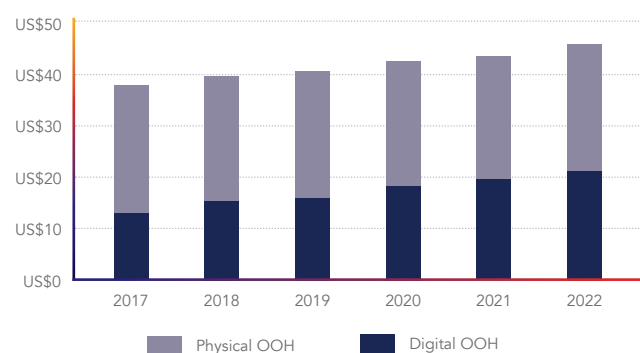
### 3.2 INVENTORY EXPANSION FROM DIGITALISATION

Nielsen study reveals OOH is the second fastest growing media category with OOH medium providing the highest rate of online activation per dollar, of any offline media. It was even more effective than digital banner ads.

Advertisers are building on this, using cross-channel campaigns that span OOH placements and mobile ads, often tied to specific locations. As such, this trend is projected to grow going forward as more campaigns continue the conversation across multiple media channels not only just a single media outlet.

The proliferation of Internet of Things (IoT) devices and ongoing development of future smart technological devices will enable Digital OOH to actually take the market share from the overall advertising spending due to the ability to offer a potent combination of higher-quality and more dynamic advertising, more precise targeting and more effective outcome measurement. Future Market Insights expects Digital OOH to grow substantially globally by 11.0% CAGR over the forecast period of 2018 – 2028. As part of our strategy, the Company is already and will continue the process of 3 years plan to convert 40.0% of our OOH assets to digital media. In July 2019, the Company released VGI Immerse on 4 BTS stations: Chong Nonsi, Asoke, Phrom Phong and Sala Daeng.

**Figure 1: OOH growth will be powered by digital – but physical OOH will hold firm.**



Source: Global Entertainment and Media Outlook 2018 – 2022, PwC, Ovum

### 3.3 USE OF TECHNOLOGY

Technologies from emerging communications industries can be combined with OOH media to make the OOH medium more attractive, dynamic and interactive. This competitive advantage is allowed OOH advertising budget to take market share from the total advertising spending. In doing so, the Company has anticipated the desire from advertisers for media that deliver engagement. During 2018/19, VGI has formed joint venture named VGI AnyMind Technology Company Limited with AnyMind Group an Artificial Intelligence (AI) solutions provider for

the advertising, influencer marketing and human resource industries. Through VGI's OOH media inventories, Rabbit Group's data and AnyMind Group, the joint venture will be able to offer products that combine the power of data optimisation and advertising spaces to the market. This partnership extends VGI's offering in the increasingly important market segment of Digital OOH media and leveraging AnyMind Group's technology and digital platform to deliver performance-driven, dynamic and highly-targeted ads offline and online – creating a seamless O2O customer journey.

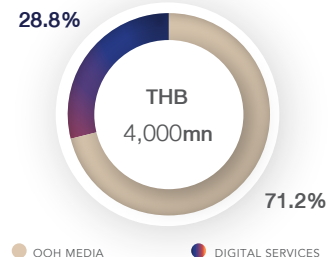
Moreover, the Company and iClick Interactive Asia Group Limited ("iClick") (Nasdaq: ICLK), an independent online marketing and data technology platform in China, have formed a joint venture named V-Click Technology Company Limited that will enable brands in Southeast Asia to capture the multi-billion dollar Chinese consumer market through a range of technology-driven marketing solutions. Together the firms will generate significant cross border marketing opportunities, which can be addressed through a suite of mobile and new media products, including:

- China Solutions, which comprise a wide range of digital marketing offerings ranging from marketing intelligence tools, social, and mobile solutions. These offerings not only help clients gain in-depth insights of the Chinese market based on iClick's 780mn consumer profiles, but also provide an efficient way for clients to acquire the right consumers across multi channels in China, especially the significant number of Chinese outbound travelers.
- O2O Solutions – 10,000 new mobile charging stations with the ability to display marketing messages that will be introduced and placed throughout VGI's network across Thailand, in prominent locations such as BTS SkyTrain stations throughout Thailand leading mass transit system, and the distribution centers of Kerry Express (Thailand) Public Company Limited, the leading parcel delivery company in Thailand.

Additionally, VGI Digital Lab, our data-driven digital marketing arm, will help us on creating unique product offerings by monetising the Company and partners' purchase and transaction data. This will allow us to target the right advertising in the right channel at the right time to the right audiences.



REVENUE CONTRIBUTION  
(% of total operating revenue)



Digital Services Revenue

2018/19	2019/20
THB 529mn	THB 1,151mn



### 3.2.2 PAYMENT BUSINESS

Our payment business is operated under Bangkok Smartcard System Company Limited ("BSS") and BSS Holdings Company Limited, collective called "Rabbit Group". Rabbit Group is a Digital Lifestyle Solutions with 2 key services: 1) Payment and 2) Services. Payments on the mass transit system and retail stores through the Rabbit Card and Rabbit LinePay ("RLP"), an e-wallet for both offline and online (e-Commerce) payments. Services includes providing micro-loans under AEON Rabbit Member Card, an online brokerage and comparative website under "Rabbit Finance".

#### 1. KEY DEVELOPMENTS IN 2019/20

- VGI, SAHA Lawson Company Limited and SAHA Pathana Inter-Holding Public Company Limited has formed the joint venture named SLV Retail Company Limited. This is another step on our path to establishing our O2O ecosystem through Lawson 108 stores, where Rabbit Card and RLP will facilitate seamless payment for a better consumer retail experience. As of March 2020, Lawson 108 stores was present on 12 BTS stations including Thong Lo, Ploen Chit, Sapan Khwai, Victory Monument, Bearing, Ratchathewee, National stadium, Nana, Udomsuk, Surasak, Phra Khanong and Ari. We plan to open the services on all BTS stations.

- The number of Rabbit Cards issued have increased by 18.0% from 11.0mn cards in March 2019 to 13.0mn cards in 2019/20. The growth is driven by an expansion of rabbit card's touchpoints to several transportation modes including BTS new lines, buses (Chiang Mai, Phuket, Salaya and Nontaburi), and piers & boats along the Chao Phraya River.
- RLP now serves more than 7.3mn users, representing an increase of 33.2% from March 2019.

## 2. BUSINESS UNIT

### 2.1 PAYMENT

The Rabbit Card was launched on 1 May 2012 by BSS, introducing an electronic fare collection system for the BTS Skytrain and the BRT. Within seven years of operation, nearly 13.0mn Rabbit Cards have been sold. BSS has also partnered with over 380 retail partners, covering a wide variety of brands in food and beverage, retail as well as the entertainment sector. To date, the Rabbit Card can be used for payment at more than 12,000 points. Since last year, BSS has launched its Rabbit Card usage and top-up service at mini Big C and FamilyMart convenience stores and at food courts under the CPN group and Central department stores, expanding the Rabbit retail network nationwide.



BSS has continued to partner with major food and beverage retailers, such as KFC and the Minor Food Group (Burger King, Swensens, Dairy Queen etc.) and enter into coffee shops and stores in petrol stations as Inthanin coffee and Spar super market. BSS has also secured a deal with Watson pharmacy nationwide and brought in a major deal with Sony Technology (Thailand) Company Limited, enabling Rabbit Card usage in the canteen at their Amata site.

In April 2016, Rabbit Group has further expanded its e-money business from offline to online channels by establishing the first integrated offline-online e-wallet service in Thailand called RLP. The joint venture between Rabbit Pay System Company Limited, LINE Company (Thailand) Limited and LINE Biz Plus Limited, merges a substantial base with the most popular messaging application in Thailand. Later, in March 2018, Advanced Info Services Public Company Limited ("AIS"), the number 1 telecommunications operator in Thailand, joined RLP as the third member of the joint venture. Along with AIS the other stakeholders of RLP are also the number 1 players in their respective industries: Bangkok Mass Transit System (BTS) in transit, Rabbit Group in cashless micro payments, LINE messenger in mobile communications, Kerry in e-Commerce logistics and VGI. The partnership establishes anchors and will drive adoption of cashless payments, offer solutions for the 'unbanked' population and is aligned with the government's vision of Thailand 4.0 and a cashless society.

Likewise, during the past year, RLP has grown its merchant base significantly through offline and online channels. RLP now has over 7.3mn users. In October, RLP partnered with Bangkok Bank to launch the Be1<sup>st</sup> Smart Rabbit LinePay Card, which is sold through Bangkok Bank branches nationwide. This partnership has assisted RLP to acquire more users and promote its offline-online e-wallet services.

Apart from expanding coverage and user base, RLP has collaborated with LINE to allow LINE points to be spent with RLP merchants. The collaboration increases RLP user stickiness as well as potentially encourages LINE users to register for RLP.

Through these expansion and partnerships, we have now become the leading e-money service provider with integrated payment services on both offline and online channels. Together, RLP e-wallet and the Rabbit Card can be used at more than 60,000 offline and online merchants. Finally, through our micro-transaction data analytics, we can enhance our media business by offering our clients intelligent, targeted advertising and activation capabilities.



## 2.2 SERVICES

### Rabbit Finance

Rabbit Finance is part of the Rabbit Internet Group and currently Thailand's largest financial marketplace with online comparison services for insurance and banking products as well as offline (telesales) conversion capabilities. Rabbit Finance generates revenue streams from B2C insurance brokerage, B2B insurance brokerage, insurance media, banking media and other media. (Please find more details about Rabbit finance services and clients at Rabbit Finance's website as link: [www.rabbitfinance.com](http://www.rabbitfinance.com))

### AEON Rabbit Member Card

BSS has partnered with AEON Thana Sinsap (Thailand) Public Company Limited ("AEON") to launch the AEON Rabbit Member Card, merging the services and benefits of BSS and AEON into in one card. The co-branded card was launched on 16 February 2015. This card aims to give cardholders additional financial services (access to personal credit facilities, cash withdrawal and purpose



loans from business partners of AEON's network) and quick access to mass transportation and easy payment channels at various retail outlets. The current loan balance is more than THB 1,600mn.

### 3. ENGINES FOR GROWTH

The increasing use cases and partnership models are key to driving our payment business. We will be launching various services on the RLP platform, including partnerships with Online Travel Agencies (OTAs) and insurance comparative websites, on top of our existing services. Each transaction will provide insights into each individual consumers' interests and offline and online behaviours; thereby improving the depth and breadth of our database. This in turn will enrich and expand our O2O Solutions and enables us to offer an integrated model of services on branding, engagement and performance for our clients.

#### 3.2.3 LOGISTICS BUSINESS

In August 2018, VGI has expanded to Logistics business, through a 23.0% investment in Kerry Express (Thailand) Public Company Limited ("Kerry"), the number 1 parcel delivery services with handling the highest parcel at 2mn in a day and is a member of Kerry Logistics Network Limited's global network. This acquisition is a significant step for the Company to establish an O2O ecosystem. As at end of December 2019, Kerry's network and services cover more than 1,200 distribution centres with over 16,000 service locations nationwide, Kerry takes the lead in convenient, reliable and speedy delivery solutions to its customers, ranging from individuals, e-retailers and individual sellers on social media and ensures their parcels are successfully delivered on time. Kerry pioneered payment-on-delivery in the country including the acceptance of cash or RLP upon the pickups and deliveries to households.

### 1. KEY DEVELOPMENT IN 2019/20

- Almost 2 years after the acquisition in Kerry, the Company has launched various synergies products together such as more than 600,000 of Smart Samplings, over 500,000 pieces of Parcel Stickers and media on 400 trucks. Moreover, VGI and Kerry have continued to enhance their delivery services with the launch of Kerry parcel shops on 4 BTS stations – Siam, Sala Daeng, Phrom Phong and Thong Lo. Kerry has provided more convenience through BTS Express Service which allows over a million BTS passengers to drop off their parcels from within the station send to other BTS stations (and anywhere within 200 meters around those BTS stations) within 3 hours.

### 2. ENGINES FOR GROWTH

The Thai's e-Commerce market<sup>5</sup> value continued to increase significantly during the past 6 years from THB 744bn in 2012 to THB 3,150bn in 2018, an increase of 27.2% per year. Such growth was driven by Thailand's high internet penetration rate, the average time a consumer spends on the internet via communication devices and a growing middle class with higher purchasing power. The rise of e-Commerce is also fueling enormous growth in logistics as it is the final platform connecting sellers with end-consumers. With burgeoning demands from both online retailers and consumers, the opportunities for Thailand's logistics industry are endless.

Given that Thailand's e-Commerce to retail penetration rate is still immature compared to developed countries', the logistics sectors are well-positioned to accommodate and propel further growth of e-Commerce in the country moving forward.

<sup>5</sup> The Electronic Transactions Development Agent (ETDA)



# 4

## ANNUAL BUSINESS REVIEW

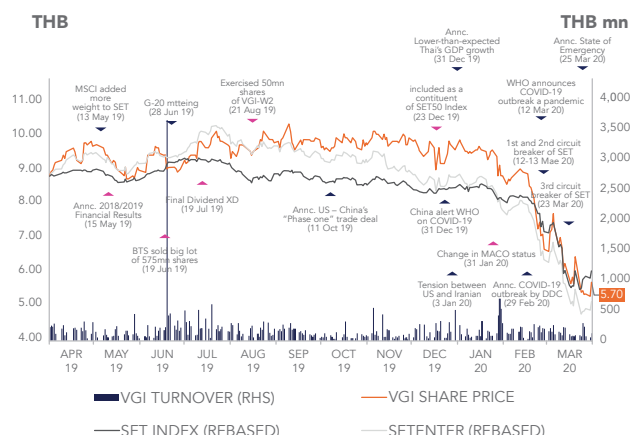
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# 4.1 CAPITAL MARKETS REVIEW

## 1. Historical Share Price Analysis and Trading Summary

Figure 1: VGI Annual Stock Performance



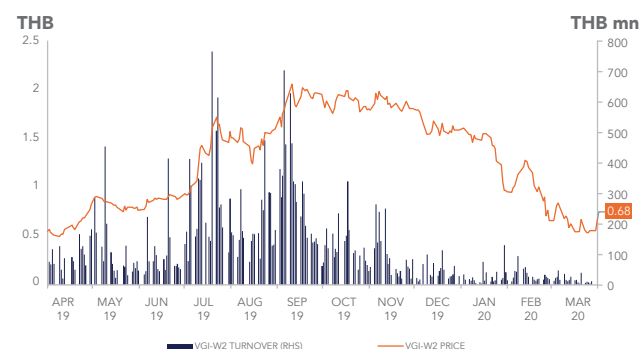
Source: www.setsmart.com

Unforeseen events have certainly shaped 2019/20. Starting from the first quarter of 2019/20, the Thai equity market, like other markets, was affected by the ongoing growth concerns and uncertainty surrounding US-China trade war, leaving a steep fall in May. Nevertheless, the Stock Exchange of Thailand Index ("SET Index") gradually gathered its growth momentum in June supported by hopes of the ease in trade tensions after the G-20 meeting and more foreign inflows to Thai markets as a result of MSCI announcement to add more weight to the Thai equity market in MSCI Emerging Markets Index. Correspondingly, the SET Index soared toward the end of the first quarter, reaching its quarterly peak at 1,731.6 points.

VGI's share price outperformed the SET Index, rising in a range of THB 8.70 – THB 9.80, reaching a quarterly high at THB 9.80 on 29 April 2019. This was mainly due to the positive announcement of the Company's full-year financial results, setting a new record high, and the intention to pay dividend. However, VGI's share price declined sharply on 19 June 2019 following the sale of THB 575mn shares at THB 9.00 by BTS Group Holdings Public Company Limited ("BTSG"). Nevertheless, the transaction has allowed VGI to improve its liquidity and broaden its shareholder base which was one of the key enablers driving VGI into the SET50 Index later in December 2019.

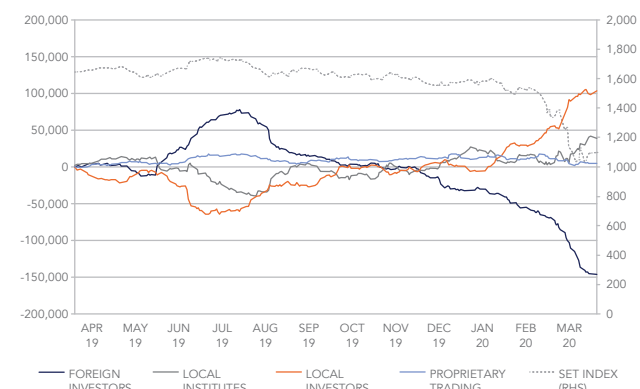
The US' imposition of tariffs on China and China's retaliation, along with the monumental challenges on the domestic front, including the drop in exports, tourism and dwindling domestic demand, had contributed to the decline of the SET Index during the second quarter of 2019/20. Despite the wavering situation during this period, VGI's share price remained resilient and rose sharply in the range of THB 9.15 – THB 10.30, reaching its all-time high since IPO at THB 10.30 on 9 September 2019. This was mainly driven by promising business developments resulting from the ongoing introduction of synergy campaigns across all platforms as well as the first time announcement of the intention to pay interim dividend from Plan B Media Public Company Limited, which was to be recorded in the Company's 2Q2019/20 financial results.

Figure 2: VGI-W2 Warrant Performance



Source: www.setsmart.com

Figure 3: Cumulative Investor Flow (2019/20)



Source: www.setsmart.com

While global equities made robust gains during the third quarter of 2019/20 as trade uncertainty faded with the optimism of the US and China's "Phase One" trade deal announcement, the SET Index saw a broad sell-off and fell by 2.7% during this quarter, the sharpest fall among major stock markets. This was mainly due to Thailand's lower-than expected GDP growth<sup>1</sup> of 2.4% in 2019, which dropped from the original estimate at 4.0%, the weakest in 5 years. However, during the same period, VGI delivered a strong performance and maintained steady growth momentum from the previous quarter with its share price trading in the range of THB 8.95 – THB 10.10, reaching a quarterly high at THB 10.10 on 5 and 6 November 2019. Recognised for its outstanding performance, VGI was awarded 4 Business Excellence accolades from the SET Awards 2019, including Outstanding CEO Award, Young Rising Star CEO Award, Outstanding Company Performance Award and Outstanding Investor Relations Award. Such recognition reflects the Company's vision to build sustainable growth for stakeholders and capabilities to drive success. Moreover, at the end of December 2019, VGI achieved another major breakthrough with its inclusion into the SET50 Index.

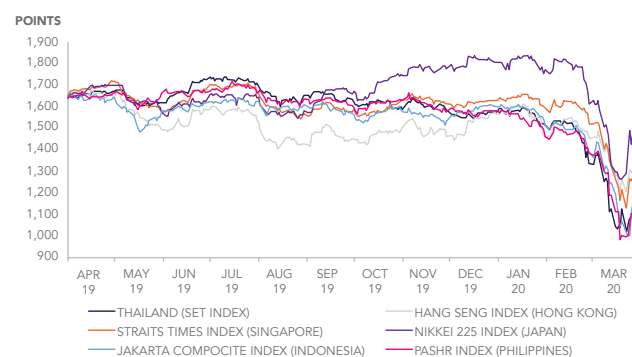
The fourth quarter of 2019/20 was marked by dramatic events. Starting in January 2020, the American drone strike against top Iranian general and the coronavirus outbreak in China sent shockwaves across global equity markets. Shortly after, the World Health Organisation (WHO) declared COVID-19 a pandemic on 12 March 2020, sending the global stock markets reeling as panic selling hit almost every asset class. During this quarter, like other indices in the world, the SET Index plunged amid coronavirus fears and traded downwards in the range of 1,024.5 – 1,600.5 points, reaching its annual low at 1,024.5 points on 23 March 2020 (the lowest point since 2012), with foreign net outflows registering at THB 115.4bn. In March 2020, SET had to pull the circuit breaker 3 times to suspend trade after the index fell below the threshold at over 10.0% on 12 and 13 March 2020 and over 8.0%<sup>2</sup> on 23 March 2020. Given the stock market panic, 4Q 2019/20 saw a comparatively weak period for VGI's share price performance, reaching the lowest point in 3 years at THB 5.30 on 30 March 2020, falling by 42.1% and closing at THB 5.70.

In summary, VGI's share price reached a new record high yet again, quoting at THB 10.30 per share in September 2019, securing the highest market capitalisation among the country's listed media companies, recording THB 88,693mn in market capitalisation. From 2 April 2019, VGI shares' average trading volume was 20.3mn shares per day and average daily value was THB 182.7mn (or USD 5.6mn)<sup>3</sup>, an increase of 1.7% and 18.9% YoY, respectively. During the same period, the SET and SETENTER Indices average trading volumes were 17,173.2mn and 105.6mn shares per day and average daily values were THB 57,929.1mn and THB 696.8mn, or USD 1,768.8mn and USD 21.3mn, respectively.

## 2. Indices Performance Comparison

The SET Index declined by 31.5% for the year ended 31 March 2020, a directional trend that was mirrored across other emerging markets. Foreign Investors were net seller by THB 147.5bn. On the other hand, local investors, local institutions, and proprietary traders predominantly net bought their positions to the tune of THB 97.1bn, THB 45.6bn and, THB 4.8bn respectively. The SET Index performed in line with other regional peers such as PASHR Index (Philippines) (-32.9%), Jakarta Composite Index (Indonesia) (-29.7%) and Straits Times Index (Singapore) (-23.7%) over the same period. SET Media & Publishing (SETENTER) decreased by 41.7% from 54.0 points on 1 April 2019 to 31.5 points on 31 March 2020.

**Figure 4: SET Index Versus Regional Peers**



Sources: [www.setsmart.com](http://www.setsmart.com), [www.hsi.com.hk](http://www.hsi.com.hk), [indexes.nikkei.co.jp](http://indexes.nikkei.co.jp), [www.straitstimes.com/stindex](http://www.straitstimes.com/stindex) and [www.pse.com.ph](http://www.pse.com.ph) and Bloomberg  
Note: Regional indices have been rebased for performance comparison to the SET Index.

<sup>1</sup> The Bank of Thailand

<sup>2</sup> The Securities and Exchange Commission (SEC) has approved to lower the threshold for triggering the first circuit breaker to an 8.0% loss from 10.0%, with the aim to prevent excessive stock market plunges due to the global coronavirus pandemic.

<sup>3</sup> Exchange rate at THB 32.75 per USD as of 31 March 2020



**Figure 5: Summary of VGI Stock Performance and Regional Indices**

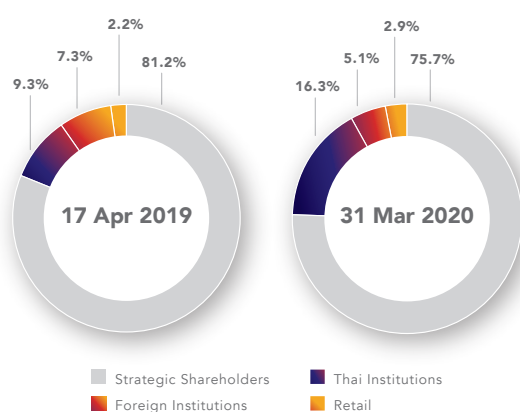
	2017/18	2018/19	2019/20
Share price (THB)			
Year-end	7.80	9.05	5.70
Year-high	7.95	9.10	10.30
Year-low	4.82	6.90	5.30
Average daily traded value (THB mn)	70.0	153.7	182.7
Average daily traded volume (mn shares)	11.5	20.0	20.3
Number of shares outstanding at year-end (mn)	7,204.3	8,556.7	8,611.2
Market capitalisation at year-end (THB mn)	56,193.8	77,438.0	49,083.6
Change (YoY) – Stock dashboard			
VGI	+51.5%	+14.6%	-35.2%
SETENTER Index	+8.5%	-17.1%	-41.7%
SET Index	+12.4%	-8.1%	-31.5%
Nikkei 225 Index (Japan)	+13.0%	-0.9%	-12.1%
Straits Times Index (Singapore)	+7.5%	-6.4%	-23.7%
Hang Seng Index (Hong Kong)	+24.0%	-3.5%	-20.2%
Jakarta Composite Index (Indonesia)	+10.4%	+3.7%	-29.7%
PASHR Index (Philippines)	+9.7%	-0.1%	-32.9%

Sources: www.setsmart.com, www.hsi.com.hk, indexes.nikkei.co.jp, www.straitstimes.com/stindex and www.pse.com.ph and Bloomberg

### 3. Shareholder Structure

As of 31 March 2020, the Company had 10,322 shareholders. The major shareholders are Bangkok Mass Transit System Public Company Limited (“BTSC”) and BTSG, who owned 44.8% or 3,854.4mn shares, and 22.0% or 1,897.4mn shares, respectively (for more details of major shareholders, please see the Top 10 Major Shareholders table below). Non-Thai shareholding represented 5.1% of total shares, decreasing from 7.3% as of 17 April 2019, which mainly due to the outflow of foreign investors from the Thai equity market. The Company actively engaged both Thai and overseas shareholders throughout the year. For more details, please see the subsequent heading ‘Investor Relations’. The Company’s free float shareholding stood at 24.3% of total paid-up capital as of 31 March 2020.

**Figure 6: Shareholding by Shareholder Type**



**Figure 7: Shareholder Distribution**

No. of shares held	No. of shareholder(s)	% of all shares
> 100mn	7	81.0%
> 50mn – 100mn	3	2.7%
> 1mn – 50mn	200	13.2%
100,001 – 1mn	548	1.9%
10,001 – 100,000	2,318	1.0%
1,001 – 10,000	3,403	0.2%
1 – 1,000	3,843	0.0%
<b>Total</b>	<b>10,322</b>	<b>100.0%</b>

**Figure 8: Top 10 Major Shareholders**

Name	No. of shares	% of Total
1. BTSC*	3,854,351,500	44.8%
2. BTSG**	1,897,401,840	22.0%
3. BANGKOK BANK	719,974,432	8.4%
4. THAI NVDR COMPANY LIMITED	146,762,700	1.7%
5. BUALUANG TOP-TEN FUND	130,871,400	1.5%
6. CREDIT SUISSE FIRST BOSTON (SINGAPORE) LIMITED	119,009,214	1.4%
7. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	107,820,142	1.3%
8. STATE STREET EUROPE LIMITED	94,079,108	1.1%
9. BUALUANG LONG TERM EQUITY FUND	81,139,100	0.9%
10. SCB DIVIDEND STOCK 70/30 LONG TERM EQUITY FUND	55,561,600	0.6%
<b>Total (Top 10)</b>	<b>7,206,971,036</b>	<b>83.7%</b>

Remark:

\*BTSC, a subsidiary company of BTSG, holding 97.5% of BTSC's total shares. BTSC's core business is mass transit.

\*\*BTSG comprises of 4 business which are Mass Transit Business, Media Business, Property Business and Services Business As of 31 March 2020, Major shareholders of BTSG, holding 39.9%, is Mr. Keeree Kanjanapas Group, which consists of:

(1) Mr. Keeree Kanjanapas holding:-

- 2,058,441,052 shares on his own name,
- 369,011,200 shares through the custodian, CREDIT SUISSE AG, SINGAPORE BRANCH
- 350,000,000 shares through the custodian, UBS AG HONG KONG BRANCH
- 100,000,000 shares through the custodian, THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, HONGKONG BRANCH

(2) Mr. Kavin Kanjanapas holding 602,705,195 shares

(3) Ms. Susan Kanjanapas holding 32,000,055 shares

(4) K2J Holding Co., Ltd. holding 400,440,000 shares

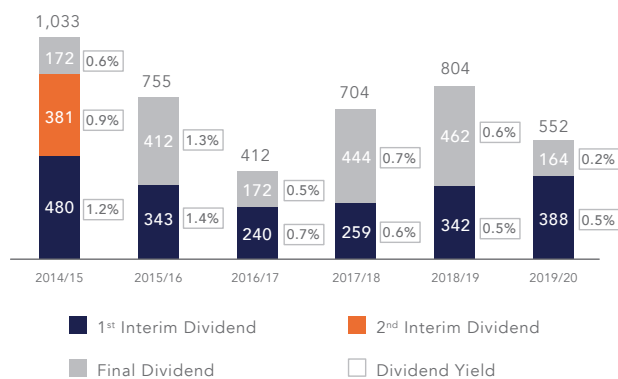
(5) Amsfield Holdings Pte. Ltd. holding 51,092 shares

#### 4. Dividend Policy

The Company has a policy to pay dividends of no less than 50% of net profit (company only basis). The dividend payment policy takes into consideration the current cash flow and financial status, future business plan and investment capital requirement. The Company intends to pay dividends at least twice yearly. In accordance with this policy, in 2019/20 the Company paid out an interim dividend in the form of cash of THB 0.045 per share. For the final dividend, the board of directors has approved to propose a cash dividend of THB 0.016 per share for shareholders' approval. Assuming the final dividend is approved by shareholders, the total dividend payment for the full year translates into a dividend pay-out ratio of approximately 52.3% of net profit for 2019/20 and a dividend yield of 0.7%.

**Figure 9: VGI Dividend Record**

Unit: THB mn



Note:

- Dividend yield is calculated using VGI closing share price one day before the date of Board of Director Meeting approving the relevant dividend.
- 2014/15 interim dividend included stock dividend (at par value) of 1:1.
- 2019/20 final dividend is subject to shareholders' approval at the shareholders'

## 5. Other Capital Markets Activity

### 5.1 VGI-W1 Warrants (VGI-W1) Issuance

On 3 July 2014, the Annual General Meeting of the Company's shareholders passed a resolution to issue 858mn units of VGI-W1 to be allocated to the existing shareholders of the Company at no cost with an allocation ratio 1 warrant to every 4 existing ordinary shares. VGI-W1 was issued on 1 August 2014 and has a term of 4 years from the issuance date (Last exercise date and expiration Date is on 1 August 2018). The exercise ratio of VGI-W1 is 1 unit of warrant for 1 ordinary share and the exercise price is THB 14 per share.

On 11 March 2015, the Extraordinary General Meeting of the Company's shareholders No. 1/2015 passed a resolution to pay a second interim dividend in form of cash at rate THB 0.011 per share and stock dividend at rate of 1 new share for every 1 existing share. The XD date (which determines the shareholders eligibility to such dividends) was set as 17 March 2015. To comply with the terms and conditions governing the rights and obligations of VGI-W1, the Company adjusted the exercise price of the warrants, from THB 14 per share to THB 7 per share, and the exercise ratio of the warrants, from 1 warrant per ordinary share to 1 warrant per 2 ordinary shares. That was effective from 17 March 2015 onwards. Subsequently, on 15 July 2016, the Company has amended the warrant exercise ratio from 1:2 to 1:1 by issuing additional warrants to existing warrant holders on the basis of 1 unit per 1 unit of existing warrant.

VGI-W1 has expired on 1 August 2018. The Company has received total proceeds from the exercise of VGI-W1 warrants of THB 8,618mn, or around 72.0% of maximum proceeds.

### 5.2 VGI-W2 Warrants (VGI-W2) Issuance

On 5 July 2018, the Annual General Meeting of the Company's shareholders passed a resolution to issue 1,711mn units of VGI-W2 to be allocated to the existing shareholders of the Company at no cost with an allocation ratio 1 warrant to every 5 existing ordinary shares. VGI-W2 was issued on 11 September 2018 and has a term of 4 years from the issuance date (Last exercise date and expiration date is on 10 September 2022). The exercise ratio of VGI-W2 is 1 unit of warrant for 1 ordinary share and the exercise price is THB 10 per share.

### 5.3 SET50/100 Index Constituent Member

VGI was included as a constituent member of the SET100 Index since the beginning of July 2013. Subsequently, from January 2014 to June 2015, the Company was included as a constituent of the SET50 Index, but was later excluded in July 2015, though it remained in the SET100 Index. However, the Company was excluded from the SET100 Index in January 2018 due to failure to meet free-float requirement. VGI was once again announced as a constituent of the SET50 Index for the period January 2020 to June 2020 following recent periodic review update by SET. The SET50 and SET100 Indices comprise Thailand's largest 50 and 100 companies by market capitalisation that also conforms to certain turnover and free float conditions.

For turnover, the monthly turnover value of an eligible firm must be at least 50% of the average turnover of all listed companies in the SET. For free-float, a minimum threshold of 20% of paid-up capital must be maintained. The index review is conducted every 6 months (in June and December for inclusion in July and January, respectively). With its inclusion into both the SET50 and SET100 Indices, VGI was able to expand potential shareholder base, for instance, by automatically becoming eligible for certain investment funds.

— Source: [www.set.or.th](http://www.set.or.th)

### 5.4 FTSE SET Index and FTSE Global Equity Index Constituent

On 24 December 2012, VGI was announced as a constituent of FTSE SET Index series and classified under FTSE SET Mid Cap Index. Jointly created by the global index provider FTSE Group and SET, the FTSE SET Index series is designed to measure the performance of Thai capital market and is comprised of six indices segmented by market capitalisation. The FTSE SET Index series is reviewed semi-annually in June and December.

In addition, since June 2014, VGI has also been included as a constituent of FTSE Global Equity Index series, which is designed to measure the performance of securities in 49 countries globally, and classified under FTSE Thailand Small Cap Index. The FTSE Global Equity Index series is reviewed semi-annually in March and September.

— Source: FTSE Russell

## 6. Investor Relations

The Company places a high priority on investors' access to the Company. The Investor Relations ("IR") Department is responsible for communications between the Company and investors, including shareholders, analysts and potential investors. The IR Department functions as the channel for two-way communications, the first of which is to publicise the accurate, complete and timely information of the Company, which includes business operations, performance and key events that affect the Company's performance. The other aspect is to report the investment community's opinions and suggestions to the Executive Committee and the Board of Directors on a quarterly basis in order to acknowledge (and respond where relevant to) the viewpoints that investors have on the Company.

Key performance indicators are established in order to align the goals of the division with the goals of the Company. In short, these are related to enlarged visibility (such as number of meetings held, number of roadshows attended, website traffic) as well as quality and timeliness of product and service offerings (taking into account product delivery times, response times as well as results from surveys).

In 2019/20, the Company met domestic and overseas institutional buy-side investors a total of 328 investors, of which 242 were domestic buy-side and 86 were overseas investors. Additionally, the Company has maintained its marketing efforts by attending 6 events including conferences and non-deal roadshows (NDRs) in 2019/20, divided into 2 overseas NDRs/conferences and 4 domestic NDRs/conferences.

The Company hosted several investor-centric activities, including 4 quarterly earnings review meetings for analysts and fund managers. Additionally, the Company also participated in 'SET Opportunity Day' hosted by The Stock Exchange of Thailand during the year in order to increase its exposure to retail investors.

The Company continued to hold quarterly earnings review conferences and the webcasts of these are available both on the Company's website within 24 hours from the meeting as well as on the SET website. For 2019/20, the Company not only expects to maintain its communication efforts across all areas but also to increase certain IR activities. For example, the Company has plans to attend domestic and overseas NDRs/conference at least 8 times a year and continue to arrange site visits for investment community.

**Figure 10: Investor Relations Key Statistics**

<b>Investor Relations Key Statistics</b>	<b>2018/19 (investors)</b>	<b>2019/20 (investors)</b>
Domestic Institutional Investors met (Buy-side)	200	121
Overseas Institutional Investors met (Buy-side)	95	84
Domestic Sell-side met	78	121
Overseas Sell-side met	1	2
Total Investors	374	328
	<b>2018/19 (times)</b>	<b>2019/20 (times)</b>
Analyst Earnings Review meeting / Opportunity day	6	6
No. of Roadshow / Conference / Site Visit and Event	11	6
Company Visit/Conference call	100	106

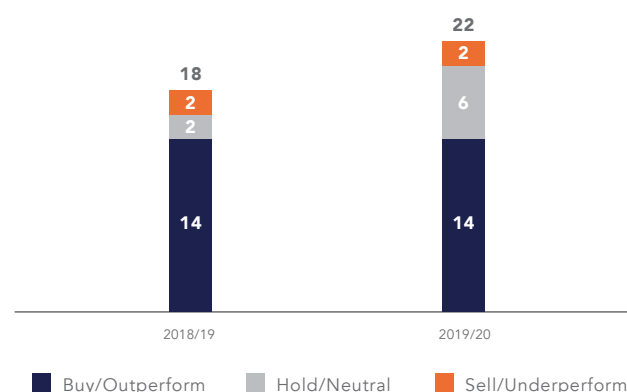
The Company website represents one of the key communications channels with the investment community. The website is the definitive source of information on the Group and has been designed based on Best Corporate Governance Practices. Its contents include live share price feeds, download versions of publications (including annual reports, Form 56-1, financial statements, MD&A and company presentations), financial calendar and webcasts of analyst meetings. In 2019/20, the website was mainly accessed by visitors from Thailand, United States, Malaysia and Singapore.

In November 2019, the Company was honoured with the 'Outstanding Investor Relations Award' by the Stock Exchange of Thailand and Money & Banking Magazine. This award was an assessment of the Board of directors and management's support on IR function, IR activity, information on IR website and IR service.

In 2019/20, the Company was covered by 22 research companies. Out of the 22 research companies, there were 4 brokers that initiated research namely; Country Group Securities Public Company Limited, KTB Securities (Thailand) Public Company Limited, Phatra Securities Public Company Limited and UBS Securities (Thailand) Limited. The other 18 research companies, namely, AEC Securities Public Company Limited, Asia Plus Securities Company Limited, Bualuang Securities Public Company Limited, CIMB Securities (Thailand) Company Limited, Citicorp Securities (Thailand) Limited, Credit Suisse Securities (Thailand) Limited, DBS Vickers Securities

(Thailand) Company Limited, Finansia Syrus Securities Public Company Limited, Krungsri Securities Public Company Limited, KT Zmico Securities Company Limited, MayBank KimEng Securities (Thailand) Public Company Limited, Nomura Securities Public Company Limited, Phillip Securities (Thailand) Public Company Limited, RHB Securities (Thailand) Public Company Limited, Thanachart Securities Public Company Limited, TISCO Securities Company Limited, Trinity Securities Company Limited and UOB Kay Hian Securities (Thailand) Public Company Limited. As of 31 March 2020, 14 out of the 22 companies placed a buy or outperform recommendation on VGI, 6 placed a hold or neutral recommendation and 2 placed a sell or underperform recommendation with average consensus target price of THB 9.76 per share.

**Figure 11: Analyst Recommendation Summary**



## Investor Relations Contact Details

For enquiries by shareholders and investors, please contact our Investor Relations Department

Head of Investor Relations	Daniel Ross (Chief Investment Officer, BTS Group Holdings)
Investor Relations	Ms. Chama Savetbodi Ms. Pinyada Saengsakdaharn Ms. Nantarach Attawong
Contact Telephone	+66 (0) 2273 8611 – 15 ext. 1513 and 1538
Email	ir@vgi.co.th
Website	<a href="http://www.vgi.co.th">http://www.vgi.co.th</a>
SET Share Symbol	VGI
SET Warrant Symbol	VGI-W2



The Company recognizes the importance of risk management as a key mechanism that will help the Company to achieve its targets following its business plans, strategies and visions, under the changing business environment and factors which may affect the business operation. The risk management would also reduce obstacles and/or losses otherwise may have occurred in terms of profits, business operations and confidence of investors and stakeholders to the Company. Therefore, the Company has set up and developed risk management framework and process in line with the guidance of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), consisting of 4 key steps, namely, (1) risk identification, (2) risk assessment, (3) risk management and mitigation and (4) risk monitoring and report.

In 2019/20, the Company established the Risk Management Committee to specifically ensure a robust and efficient enterprise risk management process. The Risk Management Committee is consisting of an independent director sitting as the Chairman, and the Chief Executive Officer along with the chiefs from each command line as members so that the Company's risk management covers all aspects of factors which may affect the operation. In addition, the Board of Directors, by recommendation of the Risk Management Committee, has determined the Risk Management Policy and the risk appetite as an enterprise risk management framework. The Risk management Committee has the duty to report key performance of enterprise risk management to the Board of Directors.

The Company's risks are analyzed and divided into 4 dimensions, namely, (1) strategic risks, (2) operational risks, (3) financial risks and (4) compliance risks. Set out below are the significant, but not exhaustive, risk factors which the Board of Directors viewed that they could have material adverse effects on the Company's current business operations.

## 1) Reliance on a concession agreement with BTSC for business operation

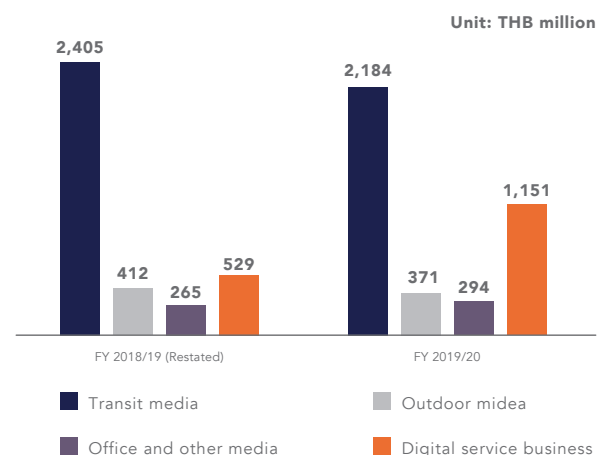
Core revenue of the Company derives from providing advertising media services and merchandising areas in BTS system. For the fiscal year ended 31 March 2020, the revenue from advertising media services and merchandising areas in BTS system was approximately THB 2,183.89 million, equivalent to 54.60 percent of the total revenue according to the consolidated financial statements. Therefore, if the Company's rights to manage advertising

media and merchandising areas obtained from BTSC is somehow terminated, it may cause a material adverse effect on the business, financial position, and operating results of the Company.

The License to Manage Marketing Service in BTS Skytrain System Agreement between the Company and BTSC (the **"BTSC License Agreement"**) has a term of 17 years ending 4 December 2029 or may be terminated upon an occurrence of any of the following events:

- BTSC may exercise its rights to terminate the agreement in case of any of the following events, i.e. (1) the Company fails to pay concession fee to BTSC within 30 days after due date; (2) the Company commits any material breach and fails to remedy within the specified period; or (3) the Company is insolvent or becomes bankrupt.
- Termination of the Concession Agreement between BTSC and the BMA. The BMA has sole rights to terminate the Concession Agreement only on any of these two grounds, i.e. (1) BTSC is under receivership in the bankruptcy case; or (2) BTSC is deliberately and continuously in breach of any material term of the Concession Agreement, unless such breach is remedied within the specified period. The said two grounds for terminating the Agreement are out of the Company's control.

In the past several years, the Company has managed this risk factor by diversifying the sources of revenue to mitigate risk. As a result, the proportion of revenue generated from business in reliance on the BTSC License Agreement tended to decrease, reflecting from the growth of revenues from online and digital marketing service business and E-payment business.



## 2) Reliance on major media agencies

The Company's key customers can be categorized into 2 groups, i.e. media agencies and brand owners. As a normal course of media or advertising service business, brand owners usually engage media agencies to provide advertising strategic planning, including advertising budget and media type selection to ensure that the advertising or marketing budget will be well spent to maximize the benefits of raising brand awareness and reaching target audience with precision. For the fiscal year ended 31 March 2020, the Company generated revenue from providing services for media agencies in the amount of approximately THB 1,883.36 million, equivalent to 68.42 percent of the total revenue from the Company's media service. The top 5 media agencies contributed 46.63 percent of the total revenue from service for media agencies. Therefore, if the Company could not maintain good long-term business relationship with media agencies, it may cause a material adverse effect to the business, financial position, operating results, and business opportunity of the Company.

Apart from consistent customer relationship management through regular activity arrangements with an objective to build good customer relationship, the Company manages the aforesaid risk by forming a team to support and work closely with media agencies to plan advertising strategy and budget for the brand customers to maximize efficiency and strengthen the relationship between the Company and the agencies to grow together in a long run. In addition, the Company has a policy to increase the proportion of customers who are brand owners to mitigate the risk from being dependent on media agencies. Currently, VGI increased the proportion of revenue derived from brand owner customers from 24.21 percent in the past year to 31.58 percent as a result of the expansion of online services and implementation of programmatic system as an additional channel to purchase or sell media of the Company in order to facilitate brand owners to access the advertising media of the Company more conveniently.

## 3) Media business is varied by the overall economic situation

Overall economic situation of the country is a key factor that directly impacts growth of businesses. Advertising media business is varied considerably by the economic situation. If the nation's economy is in recession or slowdown, regardless whether it is affected by domestic or global factors or political instability, it usually leads to a downturn of various sectors, such as manufacturing, export or unemployment problems. Such factors negatively affect the income, purchasing power, spending behavior and consumer confidence. These effects have direct impacts on the marketing needs and the carefulness in allocating advertising budget of brand owners, which may cause an adverse effect on the overall advertising media industry and the Company's business, financial position and operating results.

The Company has an approach to manage the said risk factor by updating the Company's advertising media to be up-to-date and integrating online and offline media by utilizing the big data acquired from various platforms in VGI ecosystem. This allows VGI to develop such big data into consumer insights enabling VGI to present brand's products and services to target audience with precision and assess the result efficiently. This is to ensure that the advertising budget of brands, although reduced by the business stagnation, would still be spent on the Company's advertising media. In the past several years, the Company has invested in other businesses such as E-payment business of Rabbit Group and logistics business of Kerry, establishing the current VGI ecosystem in order to diversify the sources of revenue which would reduce the impact from the risk of economic fluctuations on advertising media industry.

Regarding the COVID-19 spread during the last quarter of the fiscal year 2019/20 which caused global economic stagnation, the government has declared a state of emergency on 25 March 2020 and requested governmental and private sectors to implement "Work from Home" measures so that people will stay home to reduce the spread of the virus. The said measures directly affected various business operators, including out-of-home media business of VGI. Nonetheless, the Company turned this crisis into an opportunity to strengthen customer relationship by broadcasting contents from brand owner customer, at free-of-charge, to help publicize correct self-practice to prevent the COVID-19 spread and encourage people to stay home, stop the spread of virus for the sake of the nation following the governmental

policy. In addition, the Company also used this opportunity to change the Company's out-of-home media platform in the prime locations from static signage to digital screens to add more value to the media of the Company once the situation resolved. The strong diversification of revenue sources from online and digital marketing business of Digital Lab, E-payment business of Rabbit Group, and logistics business of Kerry played an important role in minimizing the economic impacts on the Company in this crisis as these businesses benefited from the fact that people turned to use e-commerce platform more.

#### **4) Business expansion**

The Company has adopted a strategy to continuously expand into a new business regime to support and yield high benefits to VGI Group's business operations at both domestic and international levels. Such expansion is expected to strengthen its existing business and enhance its opportunity to achieve long-term sustainable growth. During the fiscal year 2019/20, the Company has invested or jointly invested in businesses as follows;

- In April 2019, VGI invested in shares of ACP in a proportion of 25.01 percent with a total investment value of THB 100 million. ACP is the only media service provider in commuting boats, express boats, ferry boats, travelling boats in Chao Phraya river and billboards around the piers alongside Chao Phraya river. This investment expanded the out-of-home media network of the Company to cover all means of transportation system in Bangkok, responding to more customer needs.
- In August 2019, VGI has collaborated with Saha Lawson Co., Ltd. and Saha Pathana Inter-Holding Public Company Limited to establish a joint venture company named "SLV Retail Company Limited", in which the Company holds 30 percent of shares, to operate convenient store under "Lawson108" brand in exclusive areas in mass transportation systems, e.g. commercial areas on BTS stations and areas in other mass transportation systems. The e-payment system in such Lawson108 convenient stores is exclusive for Rabbit card and Rabbit LINE Pay function embedded in LINE Messaging application, with Rabbit Rewards as a loyalty and reward program, which helped strengthening VGI ecosystem as a whole.

- In May 2019, the Company has joined forces with iClick who is the leader of online media service providers in China, listed on NASDAQ Stock Market, U.S.A., to establish a joint venture company named "V-Click Technology Co., Ltd." in Thailand to provide Thai brands with marketing services to target Chinese travelers who are travelling to Thailand by relying on the online media network of iClick.

The expansion of each new business requires considerable amount of fund and resources. At times, there might be certain limitation to information required prior to the decision making and working time. If the business expansion could not generate return as projected, it could have an adverse effect to the business, financial position and overall operating results of the Company. Thus, the Company has a policy to manage this risk factor by selecting strategic partners who have potential, strength, expertise, and experience in the business, including engaging financial, accountant, legal, and tax advisors to conduct due diligence and providing feasibility study prior to making decision in each investment, taking into account the interests of the Company and its shareholders, with an emphasis on the additional benefit that the Company will receive from the synergy which would derive from the investment.

#### **5) Technological advancement and rapid change of consumer behaviors**

Technology advancement plays a vital role in facilitating and changing people's way of living daily life widely and rapidly. Examples include the communication via text messages instead of physical discussion, purchase of products and services through online channels instead of physical stores, or consumption of news or entertainment programs via smart phone or tablet instead of television or radio, so-called "Digital Disruption". This phenomenon was boosted by the COVID-19 outbreak which all sectors had to adopt work-from-home and social distancing measures. All of which have become a condition that force people to change their way of living to rely more on technology and digital means. For example, meeting had to be via video conference, ordering food from the restaurant had to rely on delivery application. These practices have become a new normal which the business sectors must adapt itself to handle such sudden change. If the business adaptation is not timely, it could have an adverse effect to the business, financial position and operating results of the Company.

To manage the said risk factor, the Company has been laying out its business foundation for the past several years to effect VGI ecosystem, consisting of media business (integrating online and offline media), E-payment business, and logistics business, with a stress that each business must adapt, survive, and grow sustainably according to people's way of living in the digital era.

#### **6) Competition with other media service providers**

Nowadays, there are various media service providers who are new comers in the market, especially digital marketing service providers who provide marketing in the online community, such as Facebook and YouTube, since they have a function that allows their users to choose their own target groups in doing marketing. This strongly intensifies competition in media sector, especially price competition, so-called "price war". If the Company cannot efficiently and promptly respond to such competition, it may cause a material adverse effect on the business, financial position and operating results of the Company.

With respect to the approach to manage this risk factor, the Company has no policy to participate in the price war to seize the market share. Instead, the Company chose to retain the quality of its products and services to be at an excellent level and to create strong point for the Company's advertising media and digital marketing services by integrating offline and online media through data analysis which used the data collected from platforms of VGI business group, as well as continuously developing and innovating new products and services to the market to maintain the Company's leading position in the media industry.

#### **7) Business operation of the Company must rely on personnel with specialized expertise and good customer relationship**

The Company's business was considered as service business that needs to rely on its personnel to contact and offer products to media agencies and brand owners. The personnel in sales and marketing divisions and the Company's executives, therefore, need to retain good relationship with the media agencies and brand owners. In addition, efficiency in management to optimize the usage of the advertising space and creativity of advertising media formats that meet brand owners' objectives and targets require executives and personnel with knowledge, expertise, and experience in media planning and management. Therefore, if the Company cannot retain

the said executives and personnel in the organization, it may have a material adverse effect on the business, financial position, operating results and business opportunity of the Company.

The Company managed this risk factor by continuously prioritizing the management and development of the Company's human resources. The personnel must work together as a team to constitute an on-the-job training which enables the personnel within the same team to work interchangeably. In addition, the Company provided hard-skills and soft-skills training courses to its personnel and recognized the importance of building a career path for its personnel. The Company also gives priority to the appropriate remuneration, welfare and benefits given to its personnel taking into account the Company's operating results and individual employee's performance. Besides, the Company has prepared a succession plan for chief level employees to build the next generation of executives to ensure stability and enhance growth of the organization in a long run. Further, the Company has a plan to adopt a talent management program to retain high potential employees to share long-term growth with the Company.

#### **8) Change in laws relating to business operations**

Enactment of new laws or amendment to laws concerning business operations of VGI Group may have an adverse effect on the business, financial position and operating results of the Company if the Company and/or its subsidiaries is unable to promptly adjust its business operations to comply with the applicable laws.

To manage this risk factor, the Company has organized a team to continuously monitor the development of the laws concerning business operations of VGI Group. The team regularly attends seminars and/or trainings held by governmental and private organizations with respect to the laws relating to business operations of VGI Group. This ensures that the Company's personnel have correct knowledge and understanding regarding the laws governing the business operation. In the fiscal year 2019/20, the Company has prepared to comply with the personal data protection laws by engaging a leading legal advisor to conduct a due diligence and gap analysis, together with providing advices regarding supplementing measures to ensure that the use and process of personal data, to enhance the efficiency and effectiveness of media service to precisely reach the target audience, are in compliance with the applicable laws in all respect.

## SOCIAL, COMUNITY AND ENVIRONMENT RESPONSIBILITY FOR SUSTAINABLE GROWTH

4.3



The Company has laid the foundation for growth and sustainable success in the future contributed from dedication of the Company's executives and employees, including fair and transparent supervision of the Board of Directors and the executives by taking into account roles of all all stakeholders, as well as having management under environmental standards and developing society and community. In this respect, the Company has has continuously prepared the "Sustainability Report 2019/20" in accordance with the GRI Sustainability Reporting Standards by way of a core option for the 5<sup>th</sup> consecutive year to disseminate the Company's policy and performance in corporate social responsibility (CSR) of the Company through indicators, i.e. economic, social and environmental, on which made between 1 April 2019 and 31 March 2020. For more information, please refer to the Sustainability Report 2019/20 published on the Company's website at [www.vgi.co.th](http://www.vgi.co.th).



## 4.4 2019/20 FINANCIAL REVIEW

### 2019/20 SNAPSHOT & ANALYSIS

#### CONSOLIDATED P&L SNAPSHOT

THB (mn)	2018/19 (Restated)	2019/20	YoY (%)
<b>Operating revenue</b>	<b>3,611</b>	<b>4,000</b>	<b>10.8%</b>
Cost of sales	1,461	1,948	33.3%
Gross profit	2,150	2,052	-4.5%
EBITDA	1,672	1,523	-8.9%
EBIT	1,360	1,177	-13.5%
Interest expenses	56	74	31.2%
Tax	260	214	-17.5%
<b>Net profit from operation</b>	<b>1,101</b>	<b>1,281</b>	<b>16.3%</b>
<b>Net profit*</b>	<b>1,101</b>	<b>1,424</b>	<b>29.3%</b>
Gross profit margin	59.5%	51.3%	
EBITDA margin	46.3%	38.1%	
Net profit from operation	30.5%	32.0%	
Net profit margin	30.5%	35.6%	

\* As shown in financial statement, excluding minority interest.

#### PERFORMANCE ANALYSIS (2019/20 vs 2018/19)

2019/20 has been a very lucrative year for VGI. Our revenues have reached at THB 4,000mn with recorded-breaking net profit of THB 1,424mn, respectively, achieving our full-year target guidance. This success was shaped by the consistent implementation of our strategy to provide an Offline-to-Online ("O2O") Solutions spanning across Advertising, Payment and Logistics platforms<sup>1</sup>, which started since 2017. The Company also completed the deconsolidation of Master Ad Public Company Limited ("MACO") from its financial performance, which resulted from MACO's status change from a subsidiary to an associate company, effective since 30 January 2020. Therefore, part of our 2018/19 Outdoor media revenue, which was directly managed by MACO, and the revenue from Trans.Ad Group, under our Digital services segment, was restated from our profit and loss statement. Going forward, the Company will only recognise MACO's financial performance as share of profit (loss) from the investment.

### REVENUE BREAKDOWN (THB mn)

THB (mn)	2018/19 (Restated)	2019/20	YoY (%)	% Contribution to total revenue	
				2018/19 (Restated)	2019/20
<b>OOH media</b>	<b>3,081</b>	<b>2,848</b>	<b>-7.6%</b>	<b>85.3%</b>	<b>71.2%</b>
Transit	2,405	2,184	-9.2%	66.6%	54.6%
Office and Other	412	371	-9.9%	11.4%	9.3%
Outdoor	265	294	11.1%	7.3%	7.4%
<b>Digital services</b>	<b>529</b>	<b>1,151</b>	<b>117.5%</b>	<b>14.7%</b>	<b>28.8%</b>
<b>Total revenue</b>	<b>3,611</b>	<b>4,000</b>	<b>10.8%</b>	<b>100.0%</b>	<b>100.0%</b>

**OOH media segment** revenue decreased by 7.6% YoY, a contribution of 71.2% of total revenue or THB 2,848mn. Within OOH media, **Transit media** revenue decreased by 9.2% YoY to THB 2,184mn, while **Office and Other media** segment revenue decreased by 9.9% YoY to THB 371mn. The decrease was mainly resulted from a digital transformation impact on BTS stations and lower utilisation rate of Office media. Moreover, the pandemic, which started since early of 2020, has a looming impact to the overall advertising industry causing companies to be more efficient on their advertising. **Outdoor media segment** revenue grew by 11.1% YoY to THB 294mn. The growth was mainly from higher utilisation rate of street furniture media, which VGI was acting as assets manager since 2014. Nevertheless, this contract had been expired since December 2019. Going forward, all of MACO's domestic media assets will be managed by Plan B Media Public Company Limited. Therefore, the Company would no longer present this business segment in our analysis starting from 1Q 2020/21 onwards.

**Digital services segment** contributed 28.8% of total revenue or THB 1,151mn, significantly grew by 117.5% YoY. The growth was mainly driven by the revenue recognition of online advertising managed by VGI Digital Lab, which is a comprehensive online media agency focuses on creating online/digital marketing campaigns based on the Group's Data Management Platform (DMP). During its first year of operation, VGI Digital Lab

<sup>1</sup> The categorisation of accounting for each of these platforms is different, with Advertising recorded under OOH media segment; Payment under the Digital Services segment, and most of the Logistics performance recorded under the equity method.

successfully generated revenue surpassing its revenue target at THB 150mn. In addition, the growth in this segment also attributable to an organic growth from project management fees, commission fee and higher lead generation revenue under Rabbit Group.

In 2019/20, **cost of sales** stood at THB 1,948mn increasing by 33.3% YoY. This increase was primarily due to the higher cost of project management and online advertising under the Digital services segment, in which the cost structure is naturally higher than the traditional OOH media. This was the main driver in increasing in Cost-to-Sales ratio to 48.7% from 40.5% in prior year. Overall **gross profit** declined 4.5% YoY from THB 2,150mn to THB 2,052mn while the **gross profit margin** decreased to 51.3% (prior year: 59.5%).

**Selling, general and administrative expenses ("SG&A")** increased significantly by 40.2% YoY to THB 1,304mn. The increase was primary from one-time expenses which comprised of 1) impairment of investment and assets and 2) provision of bad debts. Therefore, SG&A to revenue ratio increased significantly to 32.6% (prior year: 25.8%). However, excluding the aforementioned one-time

expenses, the SG&A from normal operation increased by 2.8% YoY to THB 956mn from THB 930mn. While, SG&A from normal operation to revenue ratio decreased to 23.9% in this year.

During this year, the Group recorded **share of profit from investments in joint ventures and associates** of THB 131mn. The positive result was mainly due to the recognition of share of profit from Kerry, which has a strong growth from the rise of e-Commerce in Thailand.

**Net gain from extraordinary items** was THB 143mn, consisting of 1) gain on change in status of investment in MACO of THB 550mn and was partially offset by 2) provisions of bad debt and non-performing of investment and assets of THB 407mn. These consequently led to an increase in **net profit** by 29.3% YoY to THB 1,424mn and **net profit margin** of 35.6% (prior year: 30.5%). **Net profit from operation** reached THB 1,281mn, an increase of 16.3%, the deconsolidation will also bolster the Company's profitability in the long-term as already reflected in **net profit margin from operation** of 32.0% in 2019/20.

## FINANCIAL POSITION

### ASSETS

ASSETS BREAKDOWN	31 MARCH 2019 (Restated)		31 MARCH 2020	
	(THB mn)	% out of total	(THB mn)	% out of total
Cash & cash equivalents and short-term investments	2,516	11.0%	730	4.3%
Trade & other receivables	1,528	6.7%	1,061	6.2%
Equipment – net	1,982	8.7%	1,142	6.7%
Investment in JVs, associates and other long-term investments	12,004	52.7%	11,851	69.4%
Goodwill	1,943	8.5%	236	1.4%
<b>Other assets</b>	<b>2,800</b>	<b>12.3%</b>	<b>2,057</b>	<b>12.0%</b>
<b>Total assets</b>	<b>22,773</b>	<b>100.0%</b>	<b>17,077</b>	<b>100.0%</b>

On 30 January 2020, the Company completed the deconsolidation of Master Ad Public Company Limited ("MACO") following the change in MACO's status from a subsidiary to an associate company. Accordingly, MACO was deconsolidated from VGI's statement of financial position in 2019/20. This transaction has led to significant changes in terms of assets, liabilities and equity.

**Total assets** as of 31 March 2020 stood at THB 17,077mn, a decrease of THB 5,696mn or 25.0% from THB 22,773mn as of 31 March 2019.

**Total current assets** were THB 2,607mn, decreasing by 49.2% or THB 2,527mn, primarily from a decrease in 1) cash & cash equivalents and short-term investment of THB 1,786mn and 2) trade & other receivables of THB 468mn (see further details in trade and other receivable section).

**Total non-current assets** stood at THB 14,470mn, decreasing by 18.0% or THB 3,169mn, due to a decrease in 1) goodwill of THB 1,707mn, 2) equipment – net of THB 840mn, 3) intangible assets of THB 793mn and 4) investment in JVs, associates companies and other long-term investments of THB 153mn.

**Trade and other receivables** were THB 1,061mn, decreasing by 30.6% or THB 468mn. The Company gives 60 – 90 days credit terms to customers. For accounts receivables of more than 120 days, the Company has a policy for allowance for doubtful accounts, which also considers the customers' payment history and credit-worthiness. As of 31 March 2020, the allowance for doubtful accounts was THB 198mn. Average collection period as at end of this year was 97 days.

AGING OF TRADE RECEIVABLES (THB mn)	31 MARCH 2019 (Restated)	31 MARCH 2020
Not yet due	783	596
Up to 6 months	278	253
Over 6 months	122	129
Allowance for doubtful debt	19	195
Total	1,164	784
% of total trade and other receivables	76.1%	74.0%

## LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES AND EQUITY BREAKDOWN	31 MARCH 2019 (Restated)		31 MARCH 2020	
	(THB mn)	% out of total	(THB mn)	% out of total
Short term loans	1,739	7.6%	450	2.6%
Trade & other payables	498	2.2%	464	2.7%
Accrued expenses	883	3.9%	561	3.3%
Current portion of long-term loans from financial institutions	50	0.2%	239	1.4%
Other current liabilities	1,265	5.6%	945	5.5%
Long term loan	1,439	6.3%	1,200	7.0%
Other non-current liabilities	292	1.3%	140	0.8%
<b>Total liabilities</b>	<b>6,166</b>	<b>27.1%</b>	<b>3,999</b>	<b>23.4%</b>
<b>Shareholders' equity</b>	<b>16,607</b>	<b>72.9%</b>	<b>13,078</b>	<b>76.6%</b>
<b>Total liabilities and equity</b>	<b>22,773</b>	<b>100.0%</b>	<b>17,077</b>	<b>100.0%</b>

**Total liabilities** were THB 3,999mn, a decrease of THB 2,167mn or 35.1% from THB 6,166mn as of 31 March 2019 mainly from a decrease in 1) short term and long term loans of THB 1,528mn, 2) accrued expenses of THB 322mn, 3) unearned revenue of THB 206mn and 4) deferred tax liabilities of THB 161mn.

**Total equity** was THB 13,078mn, decreasing by THB 3,529mn or 21.3%, mainly due to a decrease in 1) non-controlling interest of MACO of THB 2,619mn, 2) other components of shareholders' equity of THB 1,975mn. However, the decrease was offset by 3) premium on share capital of THB 537mn, mainly from the exercise of VGI-W2 and 2) retained earnings of THB 458mn.

	1,506	997	(275)	(1,543)*	685
Beginning cash (31/3/2019) (Restated)	CFO	CFI	CFF	Ending cash (31/3/2020)	

\* Included translation adjustment of THB -7mn

Following Master Ad Public Company Limited ("MACO")'s deconsolidation, all items of MACO have been removed from VGI's cash flow statement. This has led to changes in the Company's cash flow from operations, investments and financing activities.

For the twelve months ended 31 March 2020, **net cash from operating activities** was THB 997mn. **Net cash used in investing activities** was THB 275mn. The key components were from 1) cash of subsidiaries from loss of control of THB 702mn, 2) cash used in capital

expenditures of THB 521mn, 3) cash paid for purchase of investment in joint ventures, associates and other long-term investments of THB 466mn. However, this was offset by 3) cash received from sales of current investments of THB 963mn and 4) dividend income of THB 479mn. **Net cash used in financing activities** was THB 1,543mn. The key components were cash paid for 1) dividend payment of THB 957mn, 2) repayment of short term loans of THB 954mn. These were offset by 3) cash received from exercise of warrants of THB 500mn.

## FINANCIAL RATIOS

Profitability Ratios		2018/19 (Restated)	2019/20	Liquidity Ratios		31 MARCH 2019 (Restated)	31 MARCH 2020
Gross profit	(%)	59.5%	51.3%	Current ratio	(times)	1.2	1.0
Operating EBITDA	(%)	46.3%	38.1%	Quick ratio	(times)	0.8	0.9
Cash-to-net profit	(%)	130.5%	83.8%	Account receivable Turnover*	(times)	2.7	3.8
Net profit (excl. NCI)	(%)	29.6%	33.1%	Average collection Period*	(days)	135.0	97.1
Return on equity	(%)	12.2%	10.8%	Payable days*	(days)	97.8	75.4
Efficiency Ratios				Leverage Ratios			
Return on assets	(%)	6.8%	7.9%	Liability to equity	(times)	0.4	0.3
Return on fixed assets	(%)	81.5%	144.8%	Debt to equity	(times)	0.2	0.1
Assets turnover	(times)	0.2	0.2				

Remark: financial ratios were calculated based on The Stock Exchange of Thailand's formula.

\* Excluding account receivables and account payables of Master Ad Public Company Limited as of 31 March 2019, account receivable, average collection period and payable days were 3.3 times, 111.7 days and 78.1 days, respectively.





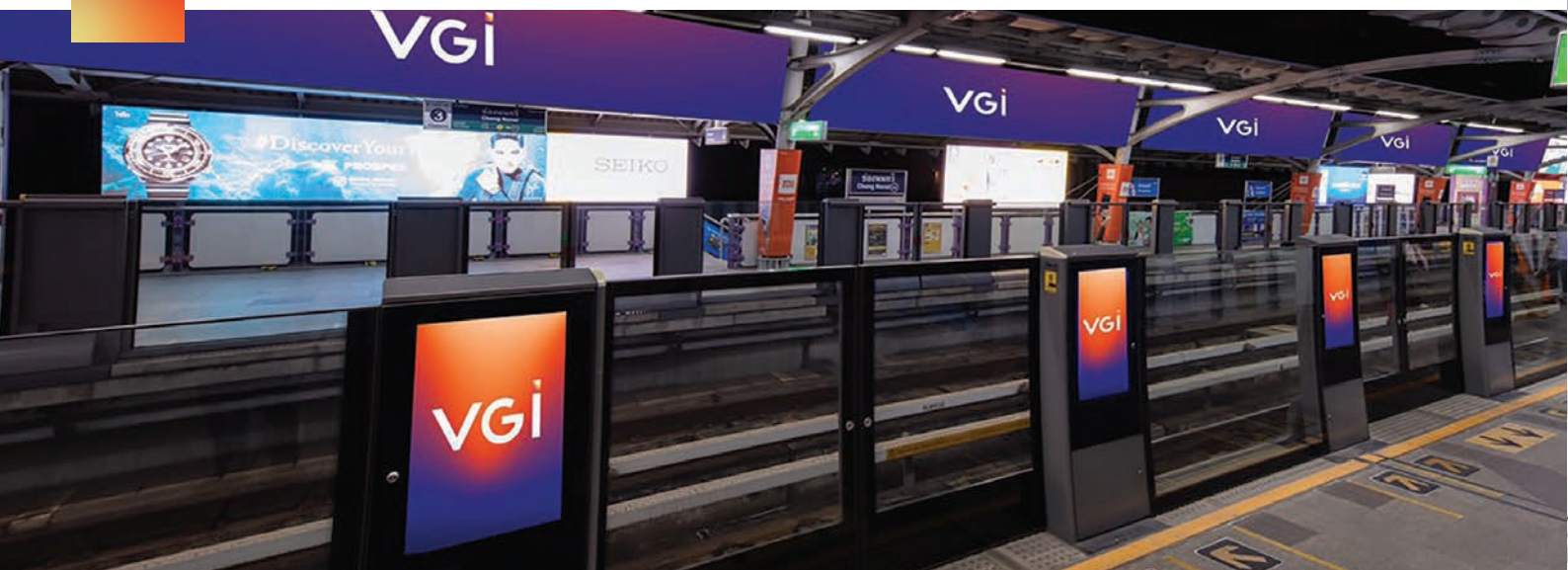
# 5

## CORPORATE INFORMATION AND CORPORATE GOVERNANCE REPORT

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## 5.1 GENERAL AND OTHER MATERIAL INFORMATION



### General and other material information

**Name** : VGI Public Company Limited

**Year of Establishment** : 1995

**First Trading Day** : 11 October 2012

**Stock Symbol** : VGI

**Market** : SET

**Industry** : Services

**Sector** : Media and publishing

**Registration No.** : 0107555000066

**Registered Capital** : THB 1,079,752,074.30

**Paid-up Capital** : THB 861,116,570.70  
as of 31 March 2020

**Remark :**

On 3 April 2020, the Company completed the registration for an increase in its paid-up capital by THB 0.10. Currently, the Company's paid-up capital is THB 861,116,570.80.

**Number of Listed Shares** : 8,611,165,707 shares  
as of 31 March 2020

(Ordinary Shares)

**Remark :**

On 3 April 2020, the Company completed the registration for an increase in its paid-up capital by issuing 1 ordinary shares. Currently, the Company's paid-up shares are 8,611,165,708 shares.

**Par Value** : THB 0.10 per share

**Number of VGI-W2 Warrants** : 1,661,334,815 units  
as of 31 March 2020

**Remark :**

As of 3 April 2020, the Company had 1,661,334,814 outstanding units of VGI-W2 Warrants as a result of a request to exercise VGI-W2 on the exercise date on 31 March 2020.

**Head Office** : 21 TST Tower, 9<sup>th</sup> floor,  
Viphavadi-Rangsit Road, Chomphon,  
Chatuchak, Bangkok 10900

**Telephone** : +66 (0) 2273 8884

**Facsimile** : +66 (0) 2273 8883

**Website** : www.vgi.co.th

**Company Secretary Division** : Telephone: +66 (0) 2273 8884 ext. 182  
Facsimile: +66 (0) 2273 8883  
Email address:  
companysecretary@vgi.co.th

**Investor Relations** : Telephone: +66 (0) 2273 8611-5  
ext. 1513, 1520  
Facsimile: +66 (0) 2273 8610  
Email address: ir@vgi.co.th

**Stock Registrar** : Thailand Securities Depository Co., Ltd.  
93 Ratchadaphisek Road, Dindaeng,  
Dindaeng, Bangkok 10400

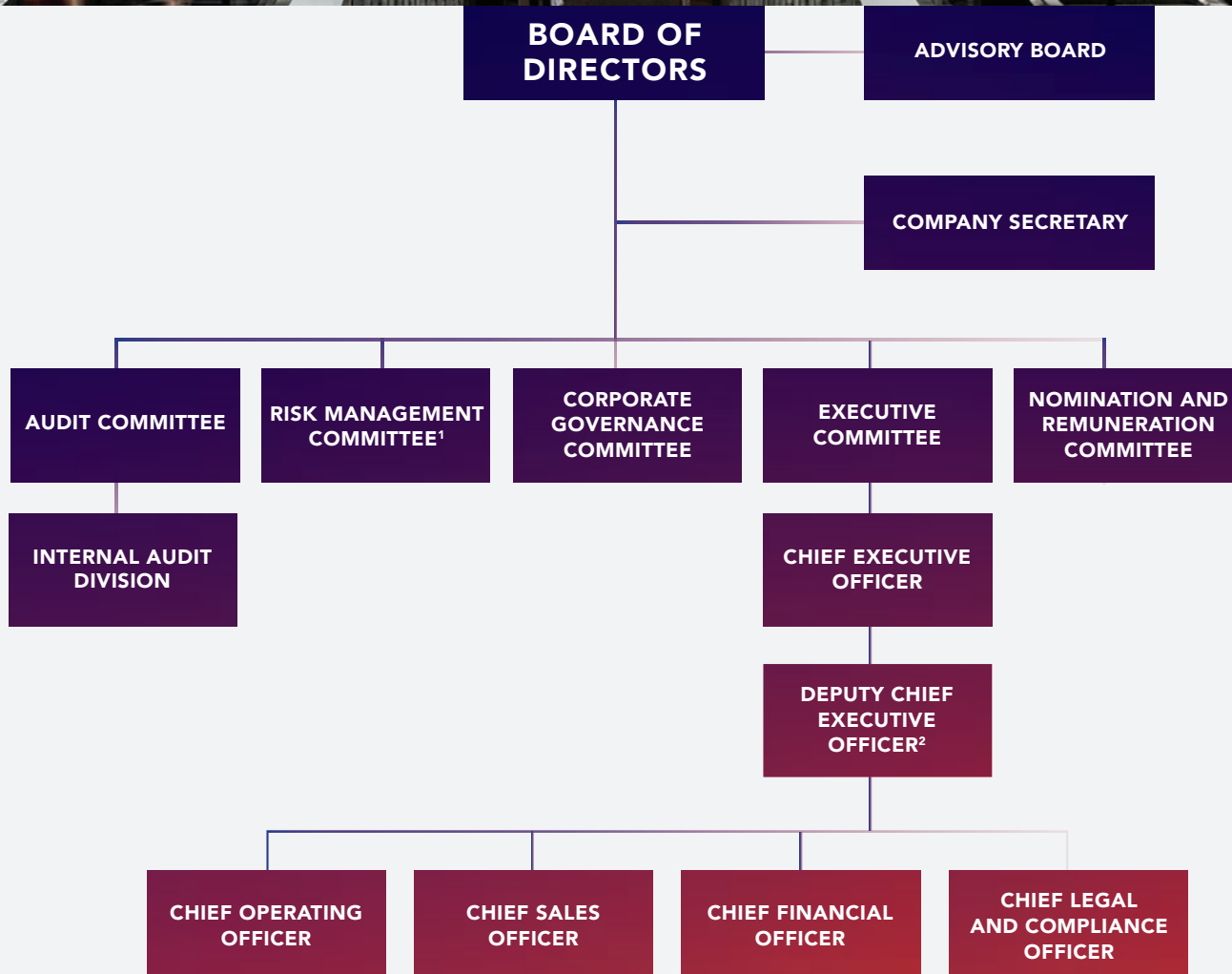
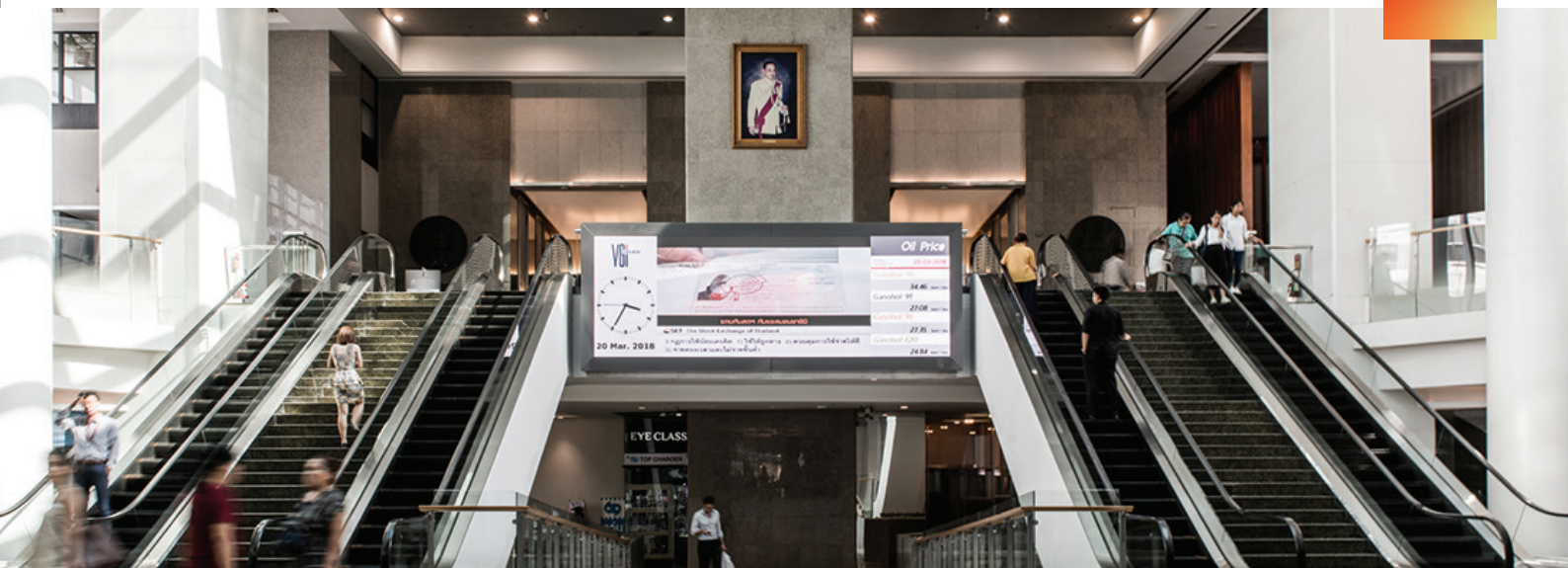
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**Auditor** : EY Office Limited  
33<sup>rd</sup> floor, Lake Ratchada Office  
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Facsimile: +66 (0) 2264 0789-90

Ms. Siraporn Ouuanunkun  
Certified Public Accountant No. 3844

# ORGANISATION CHART

5.2

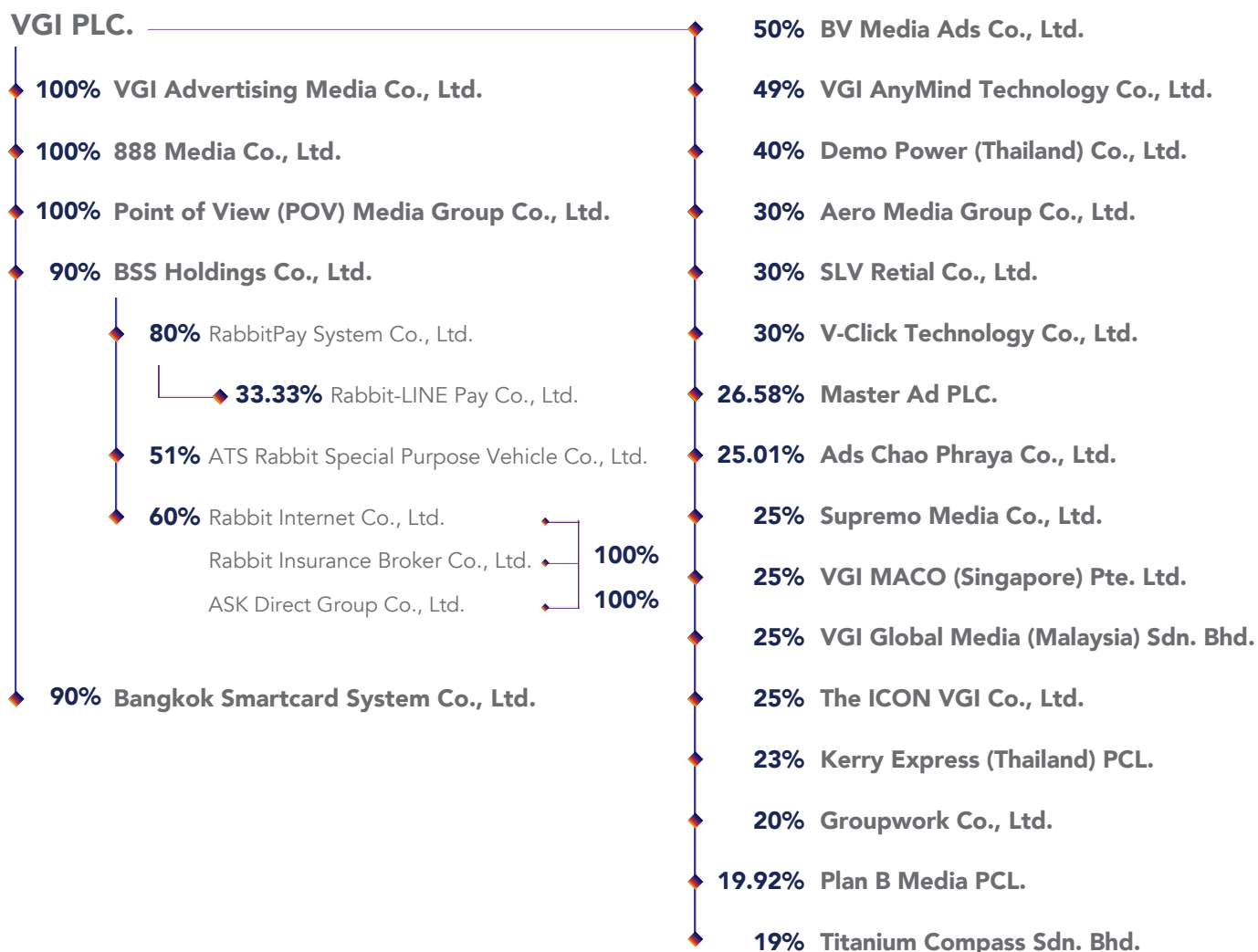


Remarks :

<sup>1</sup> Established by the resolution of the Board of Directors' Meeting No. 8/2019 held on 8 November 2019.

<sup>2</sup> The Deputy Chief Executive Officer is under nomination process to fill vacancy.

## 5.3 CORPORATE STRUCTURE



**Remark :**

Currently, the Company holds 19 percent of the total issued shares in TCSB where the said 19 percent of the Company's shareholding in TCSB are held on behalf of VGM under the Declaration of Trust dated 28 December 2017 between the Declaration of Trust dated 31 October 2018 between the Company and VGM since the transfer of shares in TCSB to VGM is restricted under the concession agreement. The Company will sell such shares in TCSB to VGM at the par value of share upon obtaining approval from the authority granting the concession.

# SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINTLY CONTROLLED ENTITIES INFORMATION

Name of Company/ Address	Type of Business	Registered Capital	Total Issued Shares (Shares)	Type	Shareholding (%)
<b>1. VGI Advertising Media Co., Ltd.</b> 21 TST Tower, 9 <sup>th</sup> floor, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2273 8884 Fax: +66 2273 8883	Providing advertising media services (It has currently ceased the operation because of the expiration of the concession agreement with Tesco Lotus.)	THB 10,000,000	100,000 (par value of THB 100 per share)	Ordinary shares	100.00
<b>2. 888 Media Co., Ltd.</b> 21 TST Tower, 9 <sup>th</sup> floor, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2273 8884 Fax: +66 2273 8883	Providing advertising media and production service	THB 20,000,000	2,000,000 (par value of THB 10 per share)	Ordinary shares	100.00
<b>3. Point of View (POV) Media Group Co., Ltd.</b> 21 TST Tower, 9 <sup>th</sup> floor, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2273 8884 Fax: +66 2273 8883	Providing advertising media services in office buildings	THB 10,000,000	1,000,000 (par value of THB 10 per share)	Ordinary shares	100.00
<b>4. BSS Holdings Co., Ltd.</b> 21 TST Tower, 19 <sup>th</sup> floor, Soi Choei Phuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2617 8338 Fax: +66 2617 8339	Investing in securities of other companies	THB 1,200,000,000	12,000,000 (par value of THB 100 per share)	Ordinary shares	90.00
<b>5. RabbitPay System Co., Ltd.</b> 21 TST Tower, 19 <sup>th</sup> floor, Soi Choei Phuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2617 8338 Fax: +66 2617 8339	Investing in securities of other companies	THB 800,000,000	8,000,000 (par value of THB 100 per share)	Ordinary shares	80.00 (held by BSS Holdings Co., Ltd.)



Name of Company/ Address	Type of Business	Registered Capital	Total Issued Shares (Shares)	Type	Shareholding (%)
<b>6. Rabbit-LINE Pay Co., Ltd.</b> 127 Gaysorn Tower, Unit A and B, 18 <sup>th</sup> floor, Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330 Tel: +66 2022 8497	Providing payment, e-money and online services	THB 599,999,400	5,999,994 (par value of THB 100 per share)	Ordinary shares	33.33 (held by RabbitPay System Co., Ltd.)
<b>7. ATS Rabbit Special Purpose Vehicle Co., Ltd.</b> 388 Exchange Tower, 27 <sup>th</sup> floor, Sukhumvit Road, Khlong Toei, Bangkok 10110 Tel: +66 2689 7000 Fax: +66 2689 7010	A special purpose vehicle for securitisation under the Emergency Decree regarding Securitisation B.E. 2540 (1997)	THB 40,000	400 (par value of THB 100 per share)	Preferred shares and ordinary shares	51.00 (held by BSS Holdings Co., Ltd.)
<b>8. ASK Direct Group Co., Ltd.</b> 1032/14 Krits Building, 2 <sup>nd</sup> floor, Rama 4 Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: +66 2022 1222	Providing telesales and telemarketing services	THB 1,000,000	1,000 (par value of THB 1,000 per share)	Ordinary shares	51.00 (held by BSS Holdings Co., Ltd.) and 49.00 (held by Rabbit Internet Co., Ltd.)
<b>9. Rabbit Insurance Broker Co., Ltd.</b> 1032/1-5 Krits Building, 2 <sup>nd</sup> floor, Rama 4 Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: +66 2022 1222	Providing non-life and life insurance brokerage services	THB 31,300,000	313,000 (par value of THB 100 per share)	Ordinary shares	100.00 (held by Rabbit Internet Co., Ltd.)
<b>10. Rabbit Internet Co., Ltd.</b> 1032/1-5, 14 Krits Building, 2 <sup>nd</sup> floor, Rama 4 Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: +66 2022 1222	Providing webpage system and telemarketing services	THB 7,000,000	7,000 (par value of THB 1,000 per share)	Preferred shares and ordinary shares	60.00 (held by BSS Holdings Co., Ltd.)

Name of Company/ Address	Type of Business	Registered Capital	Total Issued Shares (Shares)	Type	Shareholding (%)
<b>11. Bangkok Smartcard System Co., Ltd.</b> 21 TST Tower, 19 <sup>th</sup> and 24 <sup>th</sup> floors, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2617 8338 Fax: +66 2617 8339	Providing e-money services	THB 400,000,000	4,000,000 (par value of THB 100 per share)	Ordinary Shares	90.00
<b>12. BV Media Ads Limited <sup>(1)</sup></b> 900 Tonson Tower, 8 <sup>th</sup> floor, Ploen Chit Road, Lumphini, Pathum Wan, Bangkok 10330 Tel: +66 98 354 6651	Providing advertising and public relations services	THB 40,000,000	400,000 (par value of THB 100 per share)	Ordinary shares	50.00
<b>13. VGI AnyMind Technology Co., Ltd.</b> 689 Bhiraj Tower at EmQuartier, 34 <sup>th</sup> floor, Sukhumvit Road (Soi 35) Klong Tan Nuea, Klong Toei, Wattana, Bangkok 10110 Tel: +66 2048 5707	Providing advertising media services and programmatic systems for out-of-home media	THB 10,000,000	100,000 (par value of THB 100 per share)	Ordinary shares	49.00
<b>14. Demo Power (Thailand) Co., Ltd.</b> 1126/2 New Petchburi Road, Makkasan, Ratchathewi, Bangkok 10400 Tel: +66 2023 7077 Fax: +66 2250 7102	Providing product sampling services	THB 3,000,000	30,000 (par value of THB 100 per share)	Ordinary shares	40.00
<b>15. Aero Media Group Co., Ltd.</b> 115/1-3 Sukhothai Grand Building, Sukhothai Road, Dusit, Bangkok 10300 Tel: +66 2697 9944 Fax: +66 2697 9945	Providing marketing and advertising media service in airports or aviation related spaces	THB 85,700,000	85,700 (par value of THB 1,000 per share)	Ordinary shares	30.00

Remark :

<sup>(1)</sup> BV Media Ads Limited completed registration of an increase in its registered capital by THB 10 million, from THB 30 million to THB 40 million, with the Department of Business Development, Ministry of Commerce on 14 May 2020

Name of Company/ Address	Type of Business	Registered Capital	Total Issued Shares (Shares)	Type	Shareholding (%)
<b>16. SLV Retail Co., Ltd.</b> 2170 Bangkok Tower, 2 <sup>nd</sup> floor, Phetchaburi Road, Bangkok, Huay Kwang, Bangkok 10310 Tel: +66 2308 0701-2 Fax: +66 2308 0700-8	Carrying out business of convenience stores under Lawson108 brand in mass transport related areas in Thailand	THB 20,000,000	200,000 (par value of THB 100 per share)	Ordinary shares	30.00
<b>17. V-Click Technology Co., Ltd.</b> 90/42 Sathorn Thani Building 1, 16 <sup>th</sup> floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel: +66 2938 3388 Fax: +66 2938 3486-7	Providing advertising media services	THB 90,000,000	18,000,000 (par value of THB 5 per share)	Ordinary shares	30.00
<b>18. Master Ad Plc.</b> 4 <sup>th</sup> - 6 <sup>th</sup> floors, 1 Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 2938 3388 Fax: +66 2938 3489	Providing out-of-home media and production services	THB 678,752,372.80	5,411,980,914 (par value of THB 0.10 per share)	Ordinary shares	26.58
<b>19. The ICON VGI Co., Ltd.</b> 299 ICONSIAM Charoen Nakhon Road Klong Ton Sai, Khlong San Bangkok 10600 Tel: +66 2658 1000 Fax: +66 2658 1022	Providing advertising media services	THB 1,000,000	10,000 (par value of THB 100 per share)	Ordinary shares	25.00
<b>20. Supremo Media Co., Ltd.</b> 989 Siam Piwat Tower, 20 <sup>th</sup> floor, Rama 1 Road, Pathumwan, Pathumwan, Bangkok 10330 Tel: +66 2658 1000 Fax: +66 2658 1022	Providing advertising media services	THB 1,000,000	10,000 (par value of THB 100 per share)	Ordinary shares	25.00
<b>21. VGI Maco (Singapore) Private Limited</b> 50 Raffles Place #17-01 Singapore Land Tower, Singapore 048623	Investing in advertising media business	SGD 100	100 (par value of SGD 1 per share)	Ordinary shares	25.00

Name of Company/ Address	Type of Business	Registered Capital	Total Issued Shares (Shares)	Type	Shareholding (%)
<b>22. VGI Global Media (Malaysia) Sdn. Bhd.</b> Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia Tel: +60 3772 01188 Fax: +60 3772 01111	Providing advertising media services	MYR 41,775,437	41,775,437 (par value of MYR 1 per share)	Ordinary shares	25.00
<b>23. Ads Chaophraya Co., Ltd.</b> 1/11 Mahathat Alley, Maha Rat Road, Grand Palace, Pranakorn, Bangkok 10200 Tel: +66 2024 1344 Fax: +66 2024 1343	Providing advertising media services	THB 1,142,900	11,429 (par value of THB 100 per share)	Ordinary shares	25.01
<b>24. Kerry Express (Thailand) Plc.</b> 906, Chaophraya Building, 9 <sup>th</sup> floor, 89 Soi Wat Suanplu, Charoen Krung Road, Bangrak, Bangkok 10500 Tel: +66 2238 5558 Fax: +66 2237 3752	Logistics	THB 890,000,000	1,440,000,000 (par value of THB 0.50 per share)	Ordinary shares	23.00
<b>25. Groupwork Co., Ltd.</b> 100/30-100/33 Sathorn Nakorn Tower, 19 <sup>th</sup> floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500	Providing office building rental and/or working space services	THB 6,250,000	62,500 (par value of THB 100 per share)	Ordinary shares	20.00
<b>26. Plan B Media Plc.</b> 298/64-65 Pitsanulok Road, Siyakmahanak, Dusit, Bangkok 10300 Tel: +66 2530 8053-6 Fax: +66 2530 8057	Providing out-of-home media and production services	THB 458,848,957.40	3,882,568,101 (par value of THB 0.10 per share)	Ordinary shares	19.92
<b>27. Titanium Compass Sdn. Bhd.</b> Unit C508, Block C, Kelena Square, Jalan SS7/26, Kelena Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia Tel: +60 3780 51817 Fax: +60 3780 41316	Providing advertising media services	MYR1,000,000	1,000,000 (par value of MYR 1 per share)	Ordinary shares	19.00

## 5.5 MANAGEMENT STRUCTURE

### Board of Directors and sub-committee

#### 1) Board of Directors

The Board of Directors consisted of 9 directors, as follows:

No.	Name	Title	Date of Appointment as Directors	Total Office Period (Years)
1.	Mr. Keeree Kanjanapas	Chairman	30 March 2012	8
2.	Mr. Marut Arthakaivalvatee	Vice Chairman	15 November 2007	12
3.	Mr. Kavin Kanjanapas	Director	28 May 2003	16
4.	Mr. Kong Chi Keung	Director	15 June 2000	19
5.	Mr. Surapong Laocha-Unya	Director	10 November 2006	13
6.	Mr. Chan Kin Tak	Director	15 November 2007	12
7.	Assoc. Prof. Jaruporn Viyanant	Independent Director	30 March 2012	8
8.	Mrs. Maneeporn Siriwatanawong	Independent Director	30 March 2012	8
9.	Mr. Kiet Srichomkwan	Independent Director	22 August 2016	3

Information as of 31 March 2020

#### Duties and Responsibilities of the Board of Directors

- 1) To perform the duties in accordance with the laws, the Company's objectives and Articles of Association, including resolutions of the shareholders' meetings with honesty, good faith and due care for the utmost benefits of the Company and its shareholders
- 2) To determine the Company's vision, policy and business direction; to monitor and oversee the management to ensure that these policies are efficiently and effectively implemented to sustainably create and maximize the value to the Company and its shareholders; and to consider, review and approve the Company's vision, mission, strategy and direction on an annual basis, i.e. a short-term period of 1 - 2 year(s), and a mid-term to long-term period of 3 - 5 years, by taking into account circumstance and change in any factors, including innovation and technology relating to business operation
- 3) To determine the Company's business plan, annual budget and corporate key performance indicators; to monitor and supervise the management's business administration, including reviewing quarterly performance and operating results of the Company in comparison with the business plan and budget; and to consider the future trends
- 4) To determine the remuneration structure and welfare for the employees, through appropriate remuneration mechanisms conforming with short-term and long-term performance of the Company
- 5) To supervise the management to ensure that the accounting system, financial reporting and audit system are reliable; and to monitor adequacy of cash flow, including ensuring that the Company has an appropriate and sufficient internal control system
- 6) To consider and approve acquisition and disposal of assets, investment in new businesses and any matters as required by the relevant laws, notifications, regulations and rules



- 7) To consider and/or opine on the Company's and its subsidiaries' connected transactions and/or the entry into transactions of the Company and its subsidiaries (in the event that the transaction size does not trigger a threshold to be approved by the shareholders' meeting) to ensure compliance with the relevant laws, notifications, regulations and rules
- 8) To monitor and prevent conflict of interest among the stakeholders of the Company
- 9) To consider and approve the payment of interim dividends to shareholders
- 10) To equitably consider the Company's affairs by taking into account the interest of the shareholders and all groups of stakeholders, whereby a director shall report to the Company, without delay, on his/her conflict of interest in relation to an agreement entering with the Company or an increase or decrease in his/her shareholding in the Company or its subsidiaries. In any transactions where the Company or its subsidiaries entered into with a director or any person who may have a conflict or any conflict of interest, the interested director shall not be entitled to cast his/her vote regarding such transactions
- 11) To oversee the business operations with integrity and business ethics; to promote the creation of corporate culture for all employees to adhere to and perform their duties with morals and ethics; to annually review the corporate governance policy; and to regularly evaluate the implementation of such policy at least once a year
- 12) To report responsibilities of the Board of Directors for preparing the financial statements by disclosing the same together with external auditor's report in the Company's annual report which must cover key matters according to the SET's code of best practice for directors of listed companies, and to disclose material information in an accurate, sufficient and timely manner in compliance with the applicable regulations, standards and guidelines
- 13) To delegate one or more directors or any other persons to perform any matters on behalf of the Board of Directors; however, such delegation shall not be an authorization or sub-authorization that allows the delegated person(s) to approve any transaction that he/she or any person who may have a conflict of interest has an interest or any conflicts of interest with the Company or its subsidiaries
- 14) To appoint sub-committees to monitor the management system and the internal control system to ensure the compliance with the Company's policies; and to assign the annual performance evaluation and review the duties and responsibilities specified in the charters of relevant sub-committees
- 15) To delegate authorities, duties, and responsibilities to the management to clearly separate the roles, duties and responsibilities between the Board of Directors and the management; to oversee that the management duly performs its duties as designated; to review the separation thereof; and to regularly monitor and evaluate the management's performance in order to balance the managerial power, enhance independence in performing duties and increase efficiency in operations
- 16) To appoint the Advisory Board comprising professional experts on the relevant matters to provide advice and recommendations on relevant business affairs of the Company or its subsidiaries. Nonetheless, such opinion or advice from the Advisory Board is merely a view from external counsels who are not the Company's management, and it has no legal binding effect against the Company
- 17) To prepare and review the succession plan to determine the succession process for the senior executive positions
- 18) To appoint the Company Secretary to ensure that the Board of Directors and the Company comply with relevant laws, rules and regulations
- 19) To annually evaluate the performance of the Board of Directors by group and individual basis to be used as a guideline for reviewing the Board of Directors' performance, including reviewing its duties and responsibilities pursuant to its charter on an annual basis

## Roles and Responsibilities of the Chairman and the Vice Chairman of the Board of Directors

Chairman	Vice Chairman
<ol style="list-style-type: none"> <li>1) To oversee performance of the Board of Directors and other sub-committees to ensure that it is efficiently carried out and achieves the business objectives; and to ensure that all directors form parts in promoting corporate culture with ethics and good corporate governance</li> <li>2) To convene meetings of the Board of Directors, which the Chairman or the person designated by him shall send the invitation letter to all directors at least 7 days prior to the meeting date, except in the case of urgency, and such invitation letter shall specify the venue, date and time of the meeting and the nature of businesses to be transacted; and that the Chairman shall allocate enough meeting time to allow the management to provide complete information, to allow the directors to thoroughly discuss the matters, and to exercise their judgements independently in making a decision</li> <li>3) To preside over the Board of Directors' meeting and to use a casting vote in a case of tie vote at the Board of Directors' meeting</li> <li>4) To preside over the shareholder's meeting and to conduct the meeting in compliance with the Company's Articles of Association and a sequence of agenda as scheduled</li> <li>5) To perform any other duties in compliance with the applicable laws, particularly duties required to perform by the Chairman</li> </ol>	<ol style="list-style-type: none"> <li>1) To act in the capacity of the Chairman in his/her absence or being unable to perform duties</li> <li>2) To perform or undertake any other matters as designated by the Chairman and/or the Board of Directors</li> <li>3) To perform any other acts according to the laws or regulations of the competent governmental authorities</li> </ol>

## 2) Audit Committee

The Audit Committee consists of 3 members, as follows:

No.	Name	Position
1.	Assoc. Prof. Jaruporn Viyanant <sup>1</sup>	Chairman of the Audit Committee
2.	Mrs. Maneeporn Siriwatanawong	Member of the Audit Committee
3.	Mr. Kiet Srichomkwan	Member of the Audit Committee

Information as of 31 March 2020

Remarks :

<sup>1</sup> Assoc. Prof. Jaruporn Viyanant is a member of the Audit Committee who has adequate knowledge and experience to review the Company's financial statements

### **Duties and Responsibilities of the Audit Committee**

- 1) To review that the Company accurately and adequately discloses financial reports
- 2) To review that the Company's internal control system and internal audit system are appropriate and efficient; to consider the adequacy of the budget for manpower, and independence of the Internal Audit Division, including approving the appointment, transfer and dismissal of the head of the Internal Audit Division or the head of any other units in charge of internal audit
- 3) To review that the Company complies with the securities and exchange laws, the regulations of the SET and other laws relevant to the Company's businesses
- 4) To consider, select, nominate and dismiss an independent person(s) to be the Company's external auditor(s); to propose their remuneration; and to attend a meeting with the external auditor(s) without the management at least once a year
- 5) To review connected transactions or transactions that may lead to a conflict of interest to ensure that they are in compliance with the laws and regulations of the SET, are reasonable and for the best interest of the Company
- 6) To prepare and disclose an Audit Committee's report in the Company's annual report executed by the Chairman of the Audit Committee and must have the minimum of the following information:
  - (1) an opinion on the accuracy, completeness and trustworthiness of the Company's financial reports;
  - (2) an opinion on the adequacy of the Company's internal control system;
  - (3) an opinion on the compliance with the securities and exchange laws, the regulations of the SET and the Capital Market Supervisory Board or the laws relevant to the Company's business;
  - (4) an opinion on the suitability of the external auditor(s);
  - (5) an opinion on the transactions that may lead to a conflict of interest;
  - (6) the number of the Audit Committee's meetings and the attendance of each committee member;
  - (7) an opinion or overall observation of the Audit Committee from performing its duties under the Charter of the Audit Committee;
  - (8) a fraud, irregularities or material deficiency in the internal control system; and
  - (9) other matters which, according to the Audit Committee's opinion, should be made known to the shareholders and general investors pertaining to the scope of duties and responsibilities assigned by the Board of Directors.
- 7) To review the internal control management in relation to the organization's anti-corruption as follows:
  - (1) To review the internal audit plan of the Internal Audit Division to determine if the internal controls cover the implementation of anti-corruption measures and other related policies, including fraudulent risk from operations of the Company
  - (2) To review if reference documents and the self-assessments of anti-corruption measures under the Thailand's Private Sector Collective Action Coalition Against Corruption are correct
  - (3) To acknowledge reports in relation to corruption, e.g. periodic reports of fraudulent incidents, urgent reports of severe fraudulent incidents, and reports of results of the investigations and disciplinary actions taken
  - (4) To consult with the external auditor in the event of any material fraud
- 8) To review and opine on the internal audit plan and the performance of the Internal Audit Division, on which the Audit Committee has the authority to request the relevant management, executives, or employees of the Company to give their opinions, attend meetings, or submit any relevant and necessary documents
- 9) To appoint, at the Company's cost, independent advisors possessing knowledge and expertise to provide advice, recommendation and assistance in performing of duties of the Audit Committee as deems appropriate
- 10) To review the Audit Committee Charter and its performance in the previous year at least once a year
- 11) To annually evaluate the performance of the Audit Committee by group and individual basis, which shall be used as a guideline for the review of the Audit Committee's performance
- 12) To undertake any actions assigned by the Board of Directors subject to the Audit Committee's approval

### 3) Nomination and Remuneration Committee

The Nomination and Remuneration Committee consisted of 5 members as follows:

No.	Name	Title
1.	Mrs. Maneeporn Siriwatanawong	Chairman of the Nomination and Remuneration Committee
2.	Assoc. Prof. Jaruporn Viyanant	Member of the Nomination and Remuneration Committee
3.	Mr. Marut Arthakaivalvatee	Member of the Nomination and Remuneration Committee
4.	Mr. Kiet Srichomkwan	Member of the Nomination and Remuneration Committee
5.	Mr. Chan Kin Tak	Member of the Nomination and Remuneration Committee

Information as of 31 March 2020

#### Duties and Responsibilities of the Nomination and Remuneration Committee<sup>(1)</sup>

- 1) To consider and opine on the Board of Directors' structure, i.e. the size and composition of the Board of Directors, in consideration of the Company's size and business strategy comparing with the current size and composition of the Board of Directors, including reviewing the independence of each independent director so as to adjust the Board of Directors' structure to correspond with the Company's strategy
- 2) To determine the criteria and process for nominating a candidate for directors by considering:
  - (1) qualifications of the director which must be suitable and concordant with the Company's strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors;
  - (2) appropriateness of his/her knowledge, experience, expertise and availability, including other requirements as stipulated by laws or regulations of the governmental authorities; and
  - (3) diversity in the structure of the Board of Directors (board diversity) and the qualifications and skills of the director(s) which may be necessary or inadequate in the Board of Directors to which the board skill matrix will be used to identify the required qualifications.
- 3) To nominate a candidate who has the qualifications in accordance with the specified criteria of directors in the following events:
  - (1) In the event a director retires by rotation, for the Board of Directors' approval and proposing the same to the shareholders' meeting for election
  - (2) In the event there is a vacancy in the Board of Directors for any reasons (other than retirement by rotation), for the Board of Directors' appointment as a new director of the Company in replacement of such vacancy; and
  - (3) In the event an election of a new director is needed to conform with the Board of Directors' structure, for the Board of Directors' approval and proposing the same to the shareholders' meeting for appointment.
- 4) To consider the appropriate structure, amount, form and criteria for all types of remuneration (monetary and non-monetary) for the Chairman of the Board of Directors, directors of the Company and members of the sub-committees; to review the appropriateness of the current criteria by taking into account the remuneration paid by other companies in the same industry and other listed companies in a similar market capitalization to give incentive and retain valuable directors with the Company; and to propose the same to the Board of Directors and the shareholders' meeting for approval, respectively
- 5) To consider the key performance indicators of the Chairman of the Executive Committee and the Chief Executive Officer; to propose the results of such evaluation to the Board of Directors for approval; and to propose the structure, amount, and form of remuneration of the Chairman of the Executive Committee and the Chief Executive Officer, which reflects the results of the evaluation, to the Board of Directors for approval

Remark :

<sup>(1)</sup> As amended by the resolution of the Board of Directors' meeting No. 4/2020 held on 29 May 2020

- 6) To consider the appropriateness and conditions for offering of new shares, warrants or other securities to the directors and the employees as an incentive for the directors and the employees to perform their duties to increase value for the shareholders for the long run; including retaining qualified personnel with the Company under the fair conditions to the shareholders
- 7) To report its past performance to the Board of Directors and/or the shareholders' meeting
- 8) To conduct the annual performance self-assessment and report its results to the Board of Directors
- 9) To appoint working groups to assist the Nomination and Remuneration Committee in performing its functions; and to appoint independent advisors who have knowledge and expertise to provide advice, recommendation and to assist the Nomination and Remuneration Committee in performing its functions
- 10) To undertake any other actions in relation to the nomination and determination of remuneration as designated by the Board of Directors and to perform any other tasks required by laws and regulations of the competent agencies

#### 4) Risk Management Committee<sup>(1)</sup>

The Risk Management Committee consisted of 6 members as follows:

No.	Name	Title
1.	Mr. Kiet Srichomkwan	Chairman of the Risk Management Committee
2.	Mr. Lap Shun Nelson Leung	Member of the Risk Management Committee
3.	Mr. Chan Kin Tak	Member of the Risk Management Committee
4.	Mrs. Oranuch Rujirawona	Member of the Risk Management Committee
5.	Mrs. Chitkasem Moo-Ming	Member of the Risk Management Committee
6.	Ms. Voraluck Worachuttharn	Member of the Risk Management Committee

Information as of 31 March 2020

Remark :

<sup>(1)</sup> As appointed by the resolution of the Board of Directors' Meeting No. 8/2019 held on 8 November 2019.

#### Duties and Responsibilities of the Risk Management Committee

- 1) To determine the Company's risk management policy, guidelines and framework and to propose the said matters to the Board of Directors for approval
- 2) To monitor, oversee, follow up and provide recommendations concerning risk management scheme and process of the Company to ensure that they are continuous, efficient, and conforming with the Company's overall business strategies and directions
- 3) To promote and support risk management to be embedded as one of the Company's corporate cultures
- 4) To arrange for communications, information exchange and cooperation with the Audit Committee on the risk management and internal audit agenda at least once a year
- 5) To report key results of the meeting, including enterprise risk assessment and mitigation results to the Board of Directors
- 6) To undertake any other tasks in regard to risk management agenda as designated by the Board of Directors
- 7) To appoint a risk management working team to assess risks in the Company's business operations, explore appropriate measures to manage the identified risks and propose to the Risk Management Committee, and to monitor the risk management process to ensure efficiency and continuity, under the risk management framework and policy of the Company
- 8) To appoint independent advisors who are knowledgeable with expertise to provide advice and recommendations, and to assist the Risk Management Committee in performing their functions to achieve the objectives



## 5) Corporate Governance Committee

The Corporate Governance Committee consisted of 3 members as follows:

No.	Name	Title
1.	Assoc. Prof. Jaruporn Viyanant	Chairman of the Corporate Governance Committee
2.	Mr. Marut Arthakaivalvatee	Member of the Corporate Governance Committee
3.	Mr. Chan Kin Tak	Member of the Corporate Governance Committee

Information as of 31 March 2020

### Scope of Duties and Responsibilities of the Corporate Governance Committee

- 1) To consider, determine, review, and update the Corporate Governance Policy and the Code of Conduct to be in line with the regulator's practices, and an international standard; to propose the same to the Board of Directors for consideration and approval; and to monitor to ensure the compliance of the Corporate Governance Policy and the Code of Conduct
- 2) To consider, determine, review and update the corporate social responsibility (CSR) policy; to propose the same to the Board of Directors for consideration and approval; and to monitor the implementation of the corporate social responsibility policy
- 3) To consider, determine, review and update the policy and guidelines on anti-corruption and bribery;
- 4) To report its past performance to the Board of Directors and/or the shareholders' meeting
- 5) To conduct an annual evaluation of the performance of the Corporate Governance Committee; and to report the result of the evaluation to the Board of Directors
- 6) To appoint working teams to assist the Corporate Governance Committee in performing its functions and to appoint independent advisors who are knowledgeable with expertise to provide advice, recommendation and assistance to the Corporate Governance Committee in performing its functions
- 7) To undertake any other actions as designated by the Board of Directors and required by laws or regulations of the competent agencies

## 6) Executive Committee

The Executive Committee consisted of 7 members as follows:

No.	Name	Title
1.	Mr. Kavin Kanjanapas	Chairman of the Executive Committee
2.	Mr. Lap Shun Nelson Leung	Member of the Executive Committee
3.	Mr. Chan Kin Tak	Member of the Executive Committee
4.	Mrs. Oranuch Rujirawona	Member of the Executive Committee
5.	Mrs. Chitkasem Moo-Ming	Member of the Executive Committee
6.	Ms. Voraluck Worachuttharn	Member of the Executive Committee
7.	M.L. Kriengkrai Hastindra	Member of the Executive Committee

Information as of 31 March 2020

### **Scope of Duty and Responsibility of the Executive Committee**

- 1) To determine policy, direction, strategy and management structure for the Company's business operation according to and corresponding to the conditions of economy and competition, and to propose the same to the Board of Directors for consideration and approval
- 2) To prepare a business plan, budget and the management authority of the Company; and to propose the same to the Board of Directors for consideration and approval
- 3) To oversee, review, and monitor the Company's performance, on a monthly basis, to ensure alignment with the approved policy, strategy, direction and performance target, including business plan and budget; and to ensure that all performances are carried out in an efficient and effective manner and to report the result of performance to the Board of Directors
- 4) To consider and approve the entry into any agreement and/or transaction concerning or supporting the normal course of business of the Company and its subsidiaries under the relevant policy (e.g. sale and purchase, investment, or joint investment, disposal of investment for the purposes of carrying out the business in accordance with the objectives of the Company and its subsidiaries), for a transaction with value not exceeding THB 30,000,000 (thirty million), or equivalent, per transaction
- 5) To consider and approve the borrowing of any loans or the arrangement of credit facilities from financial institutions, as well as lending money, pledging, mortgaging, creating encumbrance or becoming surety by the Company and its subsidiaries, for a transaction value of not exceeding THB 30,000,000 (thirty million), or equivalent, per transaction
- 6) To consider and approve transaction between the Company and its subsidiaries with director, executive, or any related person thereof, where such transaction is the Company's normal course of business with general commercial terms or transaction supporting the Company's normal course of business with general commercial terms, with calculable consideration of not exceeding THB 30,000,000 (thirty million), or equivalent, per transaction
- 7) To consider and approve any communication and registration with the government agencies or supervisory authority, as well as making payment as the Company is required by laws, including but not limit to fees and/or taxes on behalf of the Company for the purposes of carrying out the business in accordance with the Company's objectives
- 8) To consider and approve the opening/closing of bank account and the receipt of other banking related service, including determining the authorized signatories for the Company's bank account
- 9) To consider, approve, operate and monitor any matters related to the Company's normal course of business or the Company's day-to-day business operation, including but not limited to the remuneration policy, salary structure, the Company's normal expenses and lawsuits filed by the Company or against the Company
- 10) To consider project, agreement, transaction and/or any other movement, which is beyond the Executive Committee's authority and to propose the same to the Board of Directors for consideration and approval, unless such matter falls under the responsibility and/or authority of other sub-committee to consider and propose directly to the Board of Directors
- 11) To consider and approve the implementation of the Company's project approved by the Board of Directors, and to report the progress of such project to the Board of Directors
- 12) To consider and approve the engagement of advisor for the implementation of the Company's project that are in the Company's normal course of business or in support of the Company's normal course of business
- 13) To consider, approve or acknowledge any matters in relation to the management that the Executive Committee deems necessary or appropriate to be solved urgently, which otherwise may have caused damages to the Company, and to promptly report the same to the Board of Directors
- 14) To delegate authority to other person(s) to perform any task under the Executive Committee's supervision, or to delegate such person(s) to have authority in a scope of authority and within a period of time as the Executive Committee deems appropriate. The Executive Committee may terminate, revoke, amend or change the designated person(s) or the designation of authority as appropriate

- 15) To consider and approve any other matter and to perform any other act as assigned by the Board of Directors from time to time
- 16) To appoint working team(s) to assist the Executive Committee in performing its duties and to appoint independent advisor who have knowledge and expertise to provide advice, recommendation and assistance to the Executive Committee's performance
- 17) To determine corporate key performance indicators and propose the same to the Board of Directors for

consideration and approval, including assessing the Company's performance in accordance with the said corporate key performance indicators and propose the result of the assessment to the Board of Directors for acknowledgement<sup>(1)</sup>

- 18) To perform or undertake any other acts as assigned by the Board of Directors and to perform any other tasks as stipulated by laws or regulations of the competent authorities

Remark :

<sup>(1)</sup> As amended by the resolution of the Board of Directors' meeting No. 4/2020 held on 29 May 2020

### Summary of Attendance in Board of Directors' and Sub-Committees' Meeting

Name	Number of Attendances/Number of Meetings					
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee	Executive Committee
Mr. Keeree Kanjanapas	6/6					
Mr. Marut Arthakaivalvatee	5/6		3/3	4/4		
Mr. Surapong Laoha-Unya	6/6					
Mr. Kavin Kanjanapas	6/6					13/13
Mr. Kong Chi Keung	5/6					
Mr. Chan Kin Tak	6/6		3/3	4/4	1/1	12/13
Assoc. Prof. Jaruporn Viyanant	5/6	6/6	3/3	4/4		
Mrs. Maneeporn Siriwatanawong	6/6	6/6	3/3			
Mr. Kiet Srichomkwan	6/6	6/6	3/3		1/1	
Mr. Lap Shun Nelson Leung					0/1	12/13
Mr. Chan Kin Tak					1/1	12/13
Mrs. Oranuch Rujirawona					1/1	13/13
Mrs. Chitkasem Moo-Ming					1/1	13/13
Ms. Voraluck Worachuttharn						13/13
M.L. Kriengkrai Hastindra						

Remark :

Directors and/or members of sub-committees were unable to attend the relevant meetings due to important tasks and have informed the Company Secretary and/or Secretary to each sub-committee prior to the meeting date

### Authorized directors who can sign to bind the Company

Authorized directors of the Company are Mr. Keeree Kanjanapas, Mr. Kavin Kanjanapas, Mr. Kong Chi Keung, Mr. Surapong Laoha-Unya, Mr. Marut Arthakaivalvatee and Mr. Chan Kin Tak, any two out of these six directors can sign jointly with the Company's seal affixed.

### Executives

The Company's executives comprise 8 persons, as follows:

No.	Name	Title
1.	Mr. Kavin Kanjanapas	Chairman of the Executive Committee
2.	Mr. Lap Shun Nelson Leung	Chief Executive Officer
3.	Mr. Chan Kin Tak	Chief Operating Officer
4.	Mrs. Oranuch Rujirawona	Chief Sales Officer
5.	Mrs. Chitkasem Moo-Ming	Chief Financial Officer
6.	Ms. Voraluck Worachuttharn	Chief Legal and Compliance Officer
7.	Ms. Daranee Phanklin	Financial Controller
8.	Mrs. Pitchapaksorn Jit-Opas	Billing and Accounting Director

Information as of 31 March 2020

### Company Secretary

Ms. Voraluck Worachuttharn was appointed as the Company Secretary by the Board of Directors with effect from 1 April 2019, where the scope of duties and responsibilities of the Company Secretary are as follows:

- 1) To hold the Board of Directors' meetings and shareholders' meetings in accordance with the applicable laws and the Company's Articles of Association, including relevant regulations
- 2) To prepare and retain register of directors, invitations to the Board of Directors' meetings, minutes of the Board of Directors' meetings, invitations to shareholders' meetings and minutes of shareholders' meetings, including the annual reports of the Company
- 3) To keep the reports on conflicts of interest reported by directors or executives
- 4) To provide advice and recommendations to directors regarding laws and regulations in relation to maintenance of listing status on the SET and good governance, including laws and regulations relating to the Company's business operation
- 5) To ensure that disclosure and reports of information comply with laws and/or regulations of the SET, the Office of the SEC, and other competent authorities, as well as the principles of good governance

- 6) To undertake any actions required by the Capital Market Supervisory Board or designated by the Board of Directors

The Company Secretary attended various training courses organized by the Thai Institute of Directors, e.g. Corporate Secretary Program (CSP). The Company Secretary also regularly and continuously enrolls in training or seminar courses organized by the SET, the Office of the SEC and other relevant organizations to understand the scope of duties and responsibilities of the Company Secretary and to be able to fully support the roles of the Board of Directors. (For further profile of the Company Secretary, please refer to Section 5.10 – Profiles of Directors Executives).

### Report on Company's securities holding by the directors and executives

The Company has a policy requiring the Company's directors and executives (including their spouse and minor children) to report any changes in their holding of the Company's securities to the Office of the SEC within 3 business days from the date of such change, and to provide a copy of such report (Form 59-2) to the Company Secretary Division. The Company Secretary will prepare and present a summary of the same to the Board of Directors' meetings on a quarterly basis.

**Summary of changes in Company's securities holding by the directors and executives between the fiscal year 2019/20 and 2018/19**

No.	Name	Number of Shares		Change Increase/ (Decrease)	Number of VGI-W2 (units)		Change Increase/ (Decrease)
		Percentage of Shareholding			Percentage of VGI-W2 holding		
		31 March 2020 <sup>(1)</sup>	17 April 2019 <sup>(2)</sup>		31 March 2020 <sup>(3)</sup>	17 April 2019 <sup>(4)</sup>	
1.	<b>Mr. Keeree Kanjanapas</b>	47,220,000	46,997,064	222,936	-	3,245,400	(3,245,400)
	Spouse and minor children	-	-	-	-	-	-
2.	<b>Mr. Marut Arthakaivalvatee</b>	-	-	-	-	-	-
	Spouse and minor children	305,110	305,110	-	61,022	61,022	-
3.	<b>Mr. Kavin Kanjanapas</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
4.	<b>Mr. Kong Chi Keung</b>	242,370	242,370	-	48,474	48,474	-
	Spouse and minor children	-	-	-	-	-	-
5.	<b>Mr. Surapong Laoha-Unya</b>	84,110	84,110	-	16,822	16,822	-
	Spouse and minor children	-	-	-	-	-	-
6.	<b>Mr. Chan Kin Tak</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
7.	<b>Assoc. Prof. Jaruporn Viyanant</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
8.	<b>Mrs. Maneeporn Siriwatanawong</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
9.	<b>Mr. Kiet Srichomkwan</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
10.	<b>Mr. Lap Shun Nelson Leung</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
11.	<b>Mrs. Oranuch Rujirawona</b>	2,300,000	2,300,000	-	460,000	460,000	-
	Spouse and minor children	-	-	-	-	-	-
12.	<b>Mrs. Chitkasem Moo-Ming</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
13.	<b>Ms. Voraluck Worachuttharn</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
14.	<b>Ms. Daranee Phanklin</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
15.	<b>Mrs. Pitchapaksorn Jit-Opas</b>	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-

Remarks :

<sup>(1)</sup> As of 31 March 2020, the Company had the total issued shares in the number of 8,611,165,707 shares.

<sup>(2)</sup> As of 17 April 2019, the Company had the total issued shares in the number of 8,556,680,098 shares.

<sup>(3)</sup> As of 31 March 2020, the Company has the remaining VGI-W2 in the number of 1,611,334,815 units

<sup>(4)</sup> As of 17 April 2019, the Company has the remaining VGI-W2 in the number of 1,711,334,815 units



## Employees

The Company and its 9 subsidiaries had a total of 692 employees, consisting of 304 males and 388 females.

### Summary of remuneration, training hours, rates of leaves and accidents or serious injuries from work of the Company's and subsidiaries' employees in 2019/20

	VGI and its wholly owned subsidiaries (4 companies)	BSS, BSSH and their subsidiaries (6 companies)	Total 10 companies
Total employees (Persons)	271	421	692
Remuneration (THB Million) <sup>(1)</sup>	278.21	324.06	602.27
Training hours (Hours)	10,074.8	1,500.8	11,575.6
Average training hours per employee per year (Hours)	37.18	3.56	16.73
Average sick leaves per year (Days) <sup>(2)</sup>	4.24	3.59	3.84
Average personal leaves per year (Days)	0.57	0.71	0.66
Average annual Leaves per year (Days)	7.29	6.92	7.06
Average other types of leaves (Times) <sup>(3)</sup>	4	3	7
Accidents or serious injuries from work (Times)	0	0	0
Labor disputes (Times)	0	0	0

#### Remarks :

<sup>(1)</sup> Remuneration consists of salary, bonus, provident fund contributions, overtime wages, social security fund, per diem, commissions and others. In determining remuneration, the Company and its subsidiaries took into account the appropriate job description in conjunction with operating results of each company, in both short-term and long-term aspects and the individual performance of each employee.

<sup>(2)</sup> None of sick leave resulted from occupational illness and injury

<sup>(3)</sup> Other types of leaves included maternity leave, sterilization leave, military leave, and ordination leave.

## Welfare

VGI Group provides welfares to the employees, e.g. (a) provident fund as security for the employees and their families, (b) cooperative as an alternative for savings, investment and financial aid for employees who are members, (c) housing loans to encourage the employees to have their own residence, (d) health insurance, life insurance and accident insurance for accommodating medical treatments of the employees and their families, (e) annual health checkup and (f) other financial aids.

Given that the employees are valuable resource to drive VGI Group to achieve its business goals according to the plan, VGI Group has set a policy on human resource management and development framework to improve ability and skills of employees to retain the competent employees build general consensus that they are substantial part of VGI Group. (Please see further details in Form 56-1 for the fiscal year 2019/20 of the Company under Section 8.5 Employees.)

## 5.6 CORPORATE GOVERNANCE

### Achievements in 2019/20

- Assessed in the "Excellent" level in the 2019 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD)
- Scored 97 out of 100 from the quality assessment of the 2019 Annual General Meeting of Shareholders by the Thai Investors Association
- Ranked as one of the ESG100 securities with outstanding performance in the aspects of environment, society, and corporate governance, evaluated by the Thaipat Institute

### Corporate Governance Policy

The Company places an importance on corporate governance with a strong belief that good corporate governance is an important factor to promote and support the business to sustainably grow. The Company has thus implemented the Corporate Governance Policy covering various aspects, e.g. (1) rights of shareholders, (2) equitable treatment of shareholders, (3) roles of stakeholders, (4) disclosure and transparency, and (5) responsibilities of the Board of Directors, pursuant to the Principles of Good Corporate Governance for Listed Companies of the SET and the Good Corporate Governance for Listed Companies 2017 issued by the Office of the SEC and the Thai Institute of Directors. The Company reviewed and developed its Corporate Governance Policy and Code of Conduct on an annual basis to ensure that such criteria is sufficient, appropriate, and consistent with the Company's

nature of business. The Company published such Policy on its website at <http://investor.vgi.co.th/th/corporate-governance/corporate-policy>

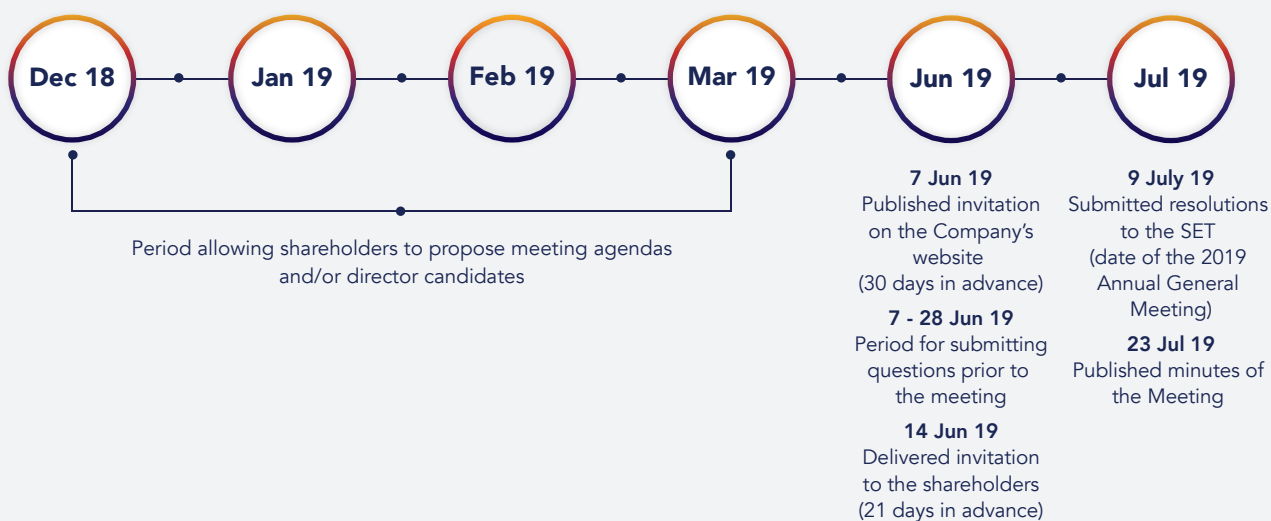
### Corporate Governance Report on the Past year

#### Section 1: Right of Shareholders

The Company gave priority to the rights of shareholders as the owners of the Company by encouraging and supporting all groups of shareholders, whether retail investors or institution investors, to exercise their rights, with details as follows:

- Disclosed important information relating to the performance and key transactions, including the quarter and annual performance through disclosure channel of the SET and the Company's website to facilitate the shareholders so that they were able to access the performance of the Company by various channels in a timely manner; and
- With respect to procedure in relation to the annual general meeting of shareholders:
  - In 2019/20, the Company held the 2019 Annual General Meeting of Shareholders on 9 July 2019, which was within 4 months from the end of the Company's fiscal year. The date of the meeting was not during long holidays or on any public holiday. The meeting was held at Eastin Grand Hotel Sathorn Bangkok, Surasak Ballroom, which was convenient to travel to the meeting room was large enough to support the number of shareholders, with strict security system;

- The process of calling and convening the meeting was in accordance with the laws and in accordance with the guidelines stipulated by the SET and the Thai Investors Association, as follows:



- Prepared the invitation and meeting materials in Thai and English to support foreign shareholders, in which the invitation stated venue, date and time of the meeting together with the agenda items and sufficient supporting documents, including objectives, reasons, and necessity of each agenda, as well as opinions of the Board of Directors, so that the shareholders had sufficient time to review them prior to the meeting; the Company published the invitation, both in Thai and English versions, on its website 30 days prior to the meeting and delivered the same together with related documents, including the annual report, to the shareholders at least 21 days prior to the meeting;
- Arranged a document verification and registration process prior to the date of the meeting to register and delegate voting rights to independent director, as such, the registration and proxy need not to be submitted at the shareholders' meeting that encouraged the institution investors and/or shareholders holding shares through custodian to attend the meeting; in addition, the Company prepared duty stamps to serve at no cost for shareholders who wished to authorize a proxy or the Company's independent director to attend the meeting and vote on their behalf;
- Directors, members of sub-committees, executives from all main command lines, and the Company Secretary attended the meeting to respond to enquiries and listen to the shareholders' opinion;
- Engaged legal advisor and auditor to respond to shareholders' enquiries and arranged for a representative from a law firm as an intermediary to join minority shareholders to witness the vote counting process which there was no minority shareholder volunteered to be the witness in the vote counting;
- Utilized barcode system in the registration and vote counting for transparency, convenience, quickness, and efficiency of the meeting; in addition, the shareholders were able to register to attend the meeting all throughout the course of the meeting to exercise their right to vote on the agendas that had not yet been considered and resolved;
- Prior to proceeding the agendas, the secretary to the meeting had introduced to the meeting the Board of Directors, executives, the Company's auditors, and legal advisor present at the meeting and informed the meeting of the criteria for voting and vote counting procedures;
- During the meeting, the chairman of the meeting provided equal opportunities to all attendees to express their opinions and ask questions that were relevant to the agendas, and answered the questions pertinently and provided adequate time to shareholders for discussion;
- For agenda in respect of the election of directors, the shareholders were arranged to vote for each director individually and separately, in which directors who must retire by rotation at the 2019 Annual General Meeting of Shareholders had temporarily left the meeting room so that the meeting had the opportunity to freely discuss the relevant matters; and
- Minutes of the meeting were correctly and completely recorded, with numbers of approved, disapproved, and abstained votes in every agenda that required voting, including recording a summary on material and relevant opinions, enquiries, and answers in each agenda; in addition, the Company published the resolutions through the disclosure channel of the SET within the same day of the meeting, and submitted the said minutes to the SET, including publishing on the Company's website within 14 days from the date of the meeting.

## Section 2: Equitable Treatment of Shareholders

The Company treated all shareholders equally, irrespective of gender, age, nationality, religion, beliefs, and political opinions and regardless of whether they are minority, majority or institutional shareholders, with key details, as follows:

- 1) In the 2019 Annual General Meeting of Shareholders, the Company allowed its shareholders to exercise their rights to propose agenda and nominate candidate for election as a director of the Company in advance, between 24 December 2019 – 31 March 2020. Shareholder(s) who individually or collectively hold shares no less than 5 percent of the Company's total voting rights, were entitled to propose agenda and nominate candidate to be elected as the Company's director at the annual general meeting of shareholders. The Company has publicized such criteria on the Company's website and announced the same on the SET website.

- 2) To maintain the rights of shareholders who could not attend the shareholders' meeting in person, the shareholders may appoint his/her/its representative or the Company's independent director, i.e. Assoc. Prof. Jaruporn Viyanant, Mrs. Maneeporn Siriwatanawong, or Mr. Kiet Srichomkwan to attend the meeting and vote on their behalf by providing Proxy Form B which explicitly and clearly set out details of authorization.
- 3) To protect shareholders' rights and procure equitable treatment to all shareholders with respect to the access to the Company's information, the key information in relation to the operation and important transactions, including the invitation to the shareholders' meeting and all supporting materials, were prepared in Thai and translated into English and publicized to the shareholders and the public via the Company's website: <http://investor.vgi.co.th/th/downloads/shareholders-meeting> or the Investor Relations Department at telephone no. +66 (0) 2273 8611-15 ext. 1513 or via email at [ir@vgi.co.th](mailto:ir@vgi.co.th).
- 4) The Company prohibited the directors, executives and employees of VGI Group, including other related persons from using inside information for the benefit of the trade of securities of the Company, its subsidiaries, and associated companies pursuant to the determined criteria and procedures, and prohibited the same persons from disclosing inside information to outsiders or non-related persons before such inside information has been publicly disclosed via the channel of the SET. In addition, the directors and executives of the Company were required to report the interests of themselves and their related persons in accordance with the defined criteria and procedures, in order for preventing any transaction that may create a conflict of interest. Interested directors and/or executives are prohibited from attending the meeting and/or cast their votes in the respective agenda. This was to ensure to the shareholders, public, and competent government agencies that the Company had undertaken actions based on fair and equitable treatment to all shareholders.

### Section 3: Roles of the Stakeholders

The Company acknowledges and takes into consideration the roles and benefits of all stakeholders involving in the Company's business, such as shareholders, customers, employees, business partners, competitors, creditors, public, and community. The Company therefore gives priority to the rights of all groups of stakeholders by treating each group of stakeholders properly, equitably

and fairly. The Company believes that good relationships with all groups of stakeholders play an important role in the sustainable development and long-term success of the organization. The details of which are as follows:

- 1) The Company has set, in writing, the stakeholder treatment policy and guidelines and disseminated the same to its directors, executives and employees for their acknowledgement and adherence, to ensure that all stakeholders will be treated fairly. The treatment must be suitable to the stakeholders' needs, with sufficient communication channels. The Company's key policies and guidelines regarding the rights of stakeholders are as follows:
  - **Shareholders** Shareholders, as the owners of the Company, are entitled to be treated fairly and equitably in accordance with the shareholders' rights prescribed by laws and the Company's Articles of Association, including the rights to attend a general meeting of shareholders, the voting rights, the rights to express their opinions independently, and the rights to acquire fair return.
  - **Customers** VGI Group is committed to build satisfaction and gain confidence from the customers who are an important part in contributing to our business growth and success. There are thus guidelines to offer and provide services that are of quality at a fair price. VGI Group provides to its customers with excellent and integrated services with due care and responsibility, including giving accurate and sufficient information to the customers to allow them to make an informed decision before choosing our products and services and to avoid the customers' misunderstanding on the quality or conditions of products or services. VGI Group also constantly develops the quality and formats of products and services to respond to the needs of the customers. In 2019/20, the Company received a satisfaction survey score of 92.25, assessed by 20 customers who are media agencies and brand owners.

VGI Group may engage expert, who is accepted among the research field, to conduct research concerning consumers' media consumption behavior in various aspects, e.g. efficiency, exceptionality, attractiveness, and impact on decision whether to purchase the products seen on the advertising media in daily life.

To maintain good relationships with the customers in the long term, VGI Group conducts surveys on customer satisfaction to acknowledge comments and

complaints, which would be used as guidelines for service and operational improvement. Further, VGI Group improves the personnel who provides services to the customers by arranging training courses and instill knowledge and understanding to its employees pre and post duty, including continuously enhancing their skills and knowledge in order for the customers to receive best benefit from the service of VGI Group.

Moreover, VGI Group strictly adheres to the confidentiality policy and guidelines and will not exploit such information for undue benefits of itself or others, unless the customers' consent has been obtained and/or VGI Group is required by laws to disclose such information. In 2019/20, the Company has engaged a leading law firm to advise VGI Group on the development process of the system, procedures, and plans in relation to the customer data which falls under the scope of personal data in order to be ready for the full enforcement of the Personal Data Protection Act B.E. 2562 (2019).

- **Employees** VGI Group believes that employees are the key and valuable resources that contribute to the sustainable business growth. Therefore, VGI Group treats all levels of employees fairly by respecting the rights of employees under the human rights principles, placing an importance on wellness, occupational health, safety of life and belongings, and employees' working environment; including promoting good corporate culture and working environment. In addition, VGI Group provided opportunity for career growth to all levels of employees with an emphasis on the development of potential, knowledge, and capability of its employees. Therefore, the focus is put on personnel development by arranging internal and external training courses, and activities among the employees and between the employees and the executives to build good relationship within the organization. (Please see additional details in Form 56-1 under Section 8.9 Personnel.)
- **Business Partners** Business partners are an important part which contributes to the growth of VGI Group, including creating added value to the customers and shareholders. Therefore, VGI Group prioritizes the fair selection of business partners, taking into consideration their reputation, compliance with the laws, regulations, and customs, as well as adhering to the principle of equal treatment, emphasizing transparency, and straightforwardness in doing

business. VGI Group has a policy to treat its business partners with strict compliance with the agreements and business ethics. In the event of any non-compliance due to force majeure, VGI Group will promptly notify the relevant business partners to mutually seek a solution. In addition, VGI Group also arranged activities to build good relationship with business partners by jointly contributing to the society on an annual basis.

- **Competitors** VGI Group treats its competitors in compliance with the laws and good business ethics, based on fair competition. VGI Group will not discredit nor seek confidential information of its competitors in bad faith or in an inappropriate manner but will operate its business honestly and professionally. In addition, VGI Group also promotes free and fair trade and will not monopolize or undertake any actions that may violate non-competition law at the domestic and international levels.
- **Creditors** VGI Group gains confidence from our creditors by emphasizing honesty and strict adherence to the agreements and conditions as agreed with its creditors. In addition, VGI Group has a policy with respect to loan and interest payment so that it is correct, timely, and complete, including not spending the loan for any purposes other than those agreed by the creditors. In this regard, VGI Group does not have a policy to conceal any information or facts that may cause damage to our creditors.
- **Consumers** VGI Group places an importance on the standard of our media, especially in terms of safety concerning media installation and view. VGI Group studied, evaluated, and improved the media's impact on the consumers consistently, e.g. regular measurement of noise level of digital media located inside the trains and on the stations to ensure that the noise level of our media is in compliance with the standards required by law, and safety inspections of the installed media to prevent causing damages to commuters.

Furthermore, VGI Group is thoughtful about our media consumers by implementing procedures to verify the content of the advertisement in accordance with the applicable laws. VGI Group also shares parts of our multimedia to publicize the contents that are beneficial to the public, community, and environment, such as news of the government agencies and any agencies that have social missions, content which raise awareness to the importance of environmental issues and campaign for change of daily behavior to



reduce the impact on the environment, and report of the current situations so that the passengers acknowledge the information promptly even while commuting.

- **Society, Community and Environment** VGI Group focuses on driving the business to grow sustainably in parallel with developing the society, community, and environment and elevating the quality of life in the Thai society. The policy concerning the responsibility towards the society, community, and environment was therefore implemented and implanted in all parts of the organization, with a belief that a conscious business operation will be an important driving force towards the sustainable development in the communal and national levels.

VGI Group has always been supporting and arranging activities that are beneficial to the society, community, and environment in various aspects, as part of our mission. VGI Group continuously arranges activities at macro level and community level, that are appropriate to the societal context at the time being to give back and return the profits to the society. (For more details, please refer to the 2019/20 Sustainability Report, which is made available on the Company's website at <http://investor.vgi.co.th/th/corporate-governance/sustainability>)

#### Contact and Complaint Channels

- **For Public** VGI provides channels for all stakeholders to contact or lodge their complaints with respect to (1) the Board of Directors directly via the Company Secretary Division, or (2) the Audit Committee directly via the Internal Audit Division. In this regard, the Company shall keep information of the complainant confidential.

##### Company Secretary Division

Tel: +66 (0) 2273 8884 ext. 182

Fax: +66 (0) 2273 8883

Email: [companysecretary@vgi.co.th](mailto:companysecretary@vgi.co.th)

Or by post to the Company Secretary Division at the Company's address

##### Internal Audit Division

Tel: +66 (0) 2273 8611-15 ext. 1117-1119

Fax: +66 (0) 2273 8616

Email: [internalaudit@vgi.co.th](mailto:internalaudit@vgi.co.th)

Or by post to the Internal Audit Division at the Company's address

- **For employees** VGI Group has set up complaint channels for employees to submit their complaints as per the methods and procedures as required by each relevant company. In this respect, VGI Group has established protective measures for employees who submit the complaints and/or the witness who provide information regarding unfair treatment in the Human Resources Management Rules and Procedures, which have been announced to all employees on the Company's intranet.
- **Corruption within the Organization** All stakeholders are able to raise any suspicious corruption within the VGI Group via the following channels:

##### Company Secretary Division

Tel: +66 (0) 2273 8884 ext. 182

Fax: +66 (0) 2273 8883

Email: [VGI\\_CAC@vgi.co.th](mailto:VGI_CAC@vgi.co.th)

Or by post to the Company Secretary Division at the Company's address

#### Section 4: Disclosure and Transparency

The Company discloses the important information relating to the operation and key transactions of VGI Group, including quarterly and yearly performances, so that the shareholders and stakeholders can access information in an accurate, complete, and timely manner. The information disclosures are prepared in Thai, with English translation available, via a disclosure channel of the SET and the Company's website and other appropriate channels, to display the transparency of our business operation. The Company's website is one of the main channels used to communicate with the shareholders and investors. The Company's website was designed in accordance with the good corporate governance principles, containing the most recent prices of securities, publication available for download (including Annual Report, Sustainability Report, Form 56-1, financial statements, financial

statement discussion and analysis, Corporate Governance Policy and Code of Conduct, and information relating to the Company's shareholders' meeting), stock calendar, record of webcast with analysts with respect to statistical data in 2019/20. Visitors of VGI's website are mostly from Thailand, Malaysia, United Kingdom, and USA, respectively.

In addition, the Company recognizes the importance of the perceptions and opinions which the investors and the public hold towards the Company. As such, the Company has set up the investor relations team responsible for communicating between the Company and investors, including shareholders, securities analysts, and other people who may be interested. The investor relations team is an intermediate of two-way communications. One side of the two-way communication is to publish information of VGI Group to the investors, including information regarding business operations, performance and key incidents that affect the Company's performance. The information published must be accurate, complete, and timely for the investors' decision making. Another side of the two-way communication is to listen to the investors' opinions and suggestions in order to report the same to the Executive Committee and the Board of Directors for acknowledgement on perception of the investors on VGI on a quarterly basis. Therefore, the Board of Directors adopted the Investor Relations Code of Conduct as guidelines for operation and promote the performance of the investor relations team to be in line with ethics and good corporate governance principles, with an emphasis on the information disclosure and the strict compliance with the applicable laws and regulations, taking into account the benefits of the shareholders and all stakeholders. (Details of "Investor Relations Code of Conduct" are published via the Company's website at <http://investor.vgi.co.th/th/corporate-governance/corporate-policy>)

## Section 5: Board Responsibilities

The Board of Directors carries leadership, visions, and mission to lead VGI Group to be the leader of future solutions by being the leader of consumer experience design, leader of new platform creation for marketers and brands, and leader in building sustainable business for all stakeholders, including the society and surrounding environment. The Board of Directors is independent in decision-making and responsible for taking a supervisory role for the best interest of the overall shareholders.

- **Composition of the Board of Directors**

The Board of Directors consists of 9 members, which is corresponding to the businesses and size of VGI

Group, comprising 3 independent directors, 4 non-executive directors, and 2 executive directors. All of which are experts from various professionals, such as business administration, engineering, financing, marketing, accounting, and auditing, and experienced in advertising media industry; and are qualified according to the applicable laws and the Corporate Governance Policy. The composition divides into 2 female directors and 7 male directors. All directors are able to independently consider, provide opinions, and vote to supervise the business of VGI Group, without any pressure, to ensure that the performance of the management is carried out in an efficient, correct, and transparent manner and protecting the interests of the Company and its shareholders.

- **Separation of Power, Duties, and Responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer**

The Company explicitly separates the power, duties, and responsibilities of the persons taking the positions of the Chairman of the Board of Directors and the Chief Executive Officer for the purposes of transparency. This is to support the independent performance of the Board of Directors in the supervisory roles and prevent any one person from having limitless power. The scope of power, duties, and responsibilities of the Chief Executive Officer is as follows:

- 1) To oversee, manage, operate and conduct the day-to-day business operations for the Company's interest in accordance with the policy, vision, target, business plan and budget as determined by the Board of Directors' meetings and/or designated by the Executive Committee;
- 2) To manage the Company's operations to be in line with the missions determined by the Executive Committee and in accordance with the Company's business plan, budget and strategy as specified by the Board of Directors and/or the Executive Committee;
- 3) To oversee the operations with respect to finance, marketing, human resource management and other general operations to be in accordance with the policy and operation plans of the Company as specified by the Board of Directors and/or the Executive Committee;
- 4) To employ, appoint, transfer, dismiss, terminate and determine the rate of wages and remuneration

for the employees holding positions lower than the Executive Committee; and may assign such responsibility to other person to act on his/her behalf;

- 5) To determine rewards, salary increment, remuneration and special bonus other than the regular salary and annual bonus of the employees, as approved by the Board of Directors and/or the Executive Committee;
- 6) To negotiate and enter into any agreements and/or transactions concerning the Company's normal course of business (e.g. a purchase of machinery and other assets according to the budget approved by the Board of Directors, a purchase of inventory and sales of goods, etc.), where the value of each transaction shall be in accordance with the authority limit approved by the Board of Directors;
- 7) To consider and approve intercompany loans among the Company and its subsidiaries;
- 8) To issue orders, policies, announcements and memorandums to ensure that the operations of the Company are in accordance with the policies and for the interest of the Company, including maintaining the discipline within the organization;
- 9) To perform other tasks designated by the Board of Directors and/or the Executive Committee; and to have the authority to perform any tasks that are necessary in relation thereto;

- 10) To delegate any person(s) to perform any task on his/her behalf, provided that such delegation shall not be the authorization to allow the designated person with a conflict of interest, or any kind of benefit with the Company or its subsidiaries to approve such transaction; and

- 11) If the Chief Executive Officer is not in office or is not available to perform his/her duties, the Deputy Chief Executive Officer shall act and perform all duties on his/her behalf and she/he shall report or present the approved matters to the Chief Executive Officer as soon as practicable.

In this regard, the Chief Executive Officer shall not exercise his/her authority to approve a transaction which himself/herself or his/her related person(s) may have a conflict or conflict of interest with the Company or its subsidiaries.

- **Meeting of the Board of Directors and the Sub-committees**

VGI regularly holds the Board of Directors' meetings, at least 6 meetings per each fiscal year, to consider and oversee various matters of VGI Group. In addition, the Company has prepared and informed an annual meeting schedule in advance for the Board of Directors' meetings and meetings of sub-committees to facilitate the directors in the allocation of their time to attend the meetings. Further, the Company has delivered meeting materials to the directors at least 5 business days or 7 days prior to the meeting date so that the directors had time to study them before attending the meetings.

In 2019/20, the Company has held meetings of the Board of Directors and the sub-committees which can be summarized as follows:

Board/Committees	Number of Meetings in 2019/20 (times)	Number of Meetings Required by Charters (times)
Board of Directors	6	6
Sub-Committees		
• Audit Committee	6	4
• Nomination and Remuneration Committee	3	2
• Corporate Governance Committee	4	2
• Risk Management Committee*	1	2
• Executive Committee	13	12
		(Regularly every month)

Remarks :

(\*) The Risk Management Committee was recently established during the year 2019/20 following the resolution of the Board of Directors' Meeting No. 8/2019 held on 6 November 2019. The first meeting of the Risk Management Committee was held on 19 March 2019.

In 2019/20, the Company also held a forum for non-executive directors (with no executive director or the management present at the meeting) to allow the non-executive directors to discuss independently under the subject matter “What VGI executives can do further to enhance board supervisory role?” and report the result of the discussion to the Board of Directors and executives for their discussion after the forum.

## Assessment of the performances of the Board of Directors and the sub-committees

### (1) Board of Directors

In 2019/20 the Board of Directors conducted annual performance assessments of the Board of Directors by group basis and individual basis to review their performance, issues, and obstacles and to improve the performance so that it was appropriate and efficient, with details as follows:

Assessment of Performance of the Board of Directors	Average Score (Percent)
<ul style="list-style-type: none"> <li><b>Group Evaluation</b> <i>evaluation subjects covered 6 aspects, namely, (1) board structure and qualifications (2) roles, duties and responsibilities of the Board of Directors (3) the Board of Directors’ meeting (4) duties of the Board of Directors (5) relationship with management (6) director’s self-improvement and management training</i></li> </ul>	99.49
<ul style="list-style-type: none"> <li><b>Individual Evaluation</b> <i>evaluation subjects covered 3 aspects, namely, (1) performance of duties (2) preparation for attending the meeting (3) independent expression of opinions which benefit the management</i></li> </ul>	99.61

Remark :

After the directors completed the performance evaluation forms, both group and individual basis, the Company Secretary Division collected the said evaluation forms and summarized the result of performance evaluation, then reported the same to the Board of Directors’ Meeting No. 4/2020 held on 29 May 2020 for its acknowledgement.

### (2) Sub-Committees

The Company has also conducted performance assessments of the sub-committees to review their performance, issues, and obstacles and to improve their performance so that it was appropriate and

efficient. The Company Secretary Division has presented the summary of the sub-committees’ assessment results to the Board of Directors’ Meeting No. 4/2020 held on 29 May 2020 for acknowledgement, which can be summarized as follows:

Sub-Committees	Average Scores (Percent)
<ul style="list-style-type: none"> <li>Audit Committee</li> </ul>	98.24
<ul style="list-style-type: none"> <li>Nomination and Remuneration Committee</li> </ul>	99.47
<ul style="list-style-type: none"> <li>Corporate Governance Committee</li> </ul>	99.30
<ul style="list-style-type: none"> <li>Risk Management Committee*</li> </ul>	91.30
<ul style="list-style-type: none"> <li>Executive Committee</li> </ul>	93.25

Remarks :

The results of the sub-committees’ assessment were reported to the Board of Directors’ Meeting No. 4/2020 held on 29 May 2020 for their acknowledgement.

### • Development of directors’ skill and knowledge

The Company has a policy to encourage the directors to attend the training programs consistently to

enhance their knowledge and capabilities. In 2019/20, there were 3 directors attended the following training programs:

Director Name	Training Program
Mr. Marut Athakaivalvatee	<ul style="list-style-type: none"> <li>Digital Transformation for CEO No. 1 organized by Bangkok Biz News, Thansettakij, MFEC Public Company Limited</li> </ul>
Mr. Kiet Srichomkwan	<ul style="list-style-type: none"> <li>Risk Management Program for Corporate Leaders (RCL), organized by the Thai Institute of Directors</li> </ul>
Assoc. Prof. Jaruporn Viyanant	<ul style="list-style-type: none"> <li>BOT Symposium 2019: Competitive Thailand, organized by Bank of Thailand and the Puey Ungphakorn Institute for Economic Research</li> <li>Audit Committee Forum 2019: Strategic Audit Committee Beyond Figure and Compliance, jointly organized by the Thai Institute of Directors, Office of the SEC, Deloitte Touche Tohmatsu Jaiyos Co., Ltd., EY Office Limited, KPMG Phoomchai Audit Ltd., and PricewaterhouseCoopers ABAS Ltd.</li> <li>Seminar Re: Audit Adjustments Required by Auditors on Financial Statements for Fiscal Year 2018, organized by the SET</li> </ul>

## Other Policies

### Human Rights Policy

VGI respects human rights of all stakeholders according to the international standards, without any discrimination on the bases of birthplace, nationality, gender, age, skin color, religion, physical capability, financial status, family, educational institute, or any other status that may not be directly related to the work, including respecting individuality and human dignity.

#### • Anti-Corruption and Bribery Policy

VGI Group has a policy to operate its business with integrity, honesty, and transparency pursuant to the relevant laws and standards, with a determination to fight all forms of corruption and bribery following the Company's declaration of intention to join the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). On 18 August 2017, the Company became a member of the Thailand's Private Sector Collective Action Coalition Against Corruption, and has been consistently encouraging and requiring the Company, its subsidiaries, and any person relating to the business operation of VGI Group to comply with the anti-corruption and bribery policy. In addition, on 31 March 2020, VGI has applied for a renewal of Private Sector Collective Action Against Corruption membership which was to be expired on 18 August 2020. Further, the Company organized an

anti-corruption program by inviting a consultant from KPMG Phoomchai Business Advisory Co., Ltd. to hold a training regarding anti-corruption for the entire organization, to build knowledge and understanding with respect to the important measures and guidelines relating to the anti-corruption. The program was divided into a session for directors held on 24 March 2020 and sessions for VGI executives and employees during 20-21 February 2020. The Company has published "Anti-Corruption Measures" via the Company's website at <http://investor.vgi.co.th/th/corporate-governance/corporate-policy>.

The Board of Directors, executives, and all levels of employees have complied with the "Do It Right" guidelines as addressed by the Chairman of the Board of Directors' of the Company and the Chairman of BTS Group Holdings Public Company Limited. In addition, VGI also adopted a reporting system for the receipt of gift, asset, or any other benefit according to the "No Gift Policy". VGI has compiled the gifts that were unable to be returned to the giver and handled them as appropriate.

#### • Intellectual Property Policy

VGI Group has a policy not to use nor support any right infringement of intellectual property of others. For example, the Company prohibits the executives and all employees from infringement of copyright of



computer software by downloading and/or installing any program that is not performed by the Technology and Information Division of the Company. In addition, personnel of VGI Group has a duty to protect trade secrets and know-how used for the Company's business operation, including overseeing and protecting the intellectual property from any unauthorized access, transfer, and use, as well as respecting and not infringing the intellectual property of others.

- **Insider Information Policy**

VGI is well aware of the importance of the prevention of insider information use by the directors, executives, and employees for the benefit of themselves or others. Therefore, the directors, executives, and employees shall strictly comply with the rules and regulations of the Office of the SEC and the good corporate governance principles, with material details summarized as follows:

- 1) VGI directors and executives (including spouse and minor children of such person) are required to report the change in their securities holding to the Office of the SEC according to Section 59 of the Securities and Exchange Act B.E. 2535 (as amended) within 3 business days from the date of the change in securities holding, and deliver copy of such report to the Company Secretary Division on the same date of report to the Office of the SEC in order to gather, summarize, and present to the Board of Directors' Meeting for their acknowledgement on a quarterly basis.
- 2) The directors, executives, and employees are prohibited from using insider information for the benefit of VGI securities trade or disclosing insider information to outsiders or non-related persons before such insider information has been publicly disclosed via electronic information disclosure system of the SET.

For clarification regarding the compliance of the insider information policy, VGI has implemented its guidelines which can be summarized as follows:

Restricted Person for Purchase and Sell	Restricted Securities for Purchase and Sell	Blackout Period for Purchase and Sell (From the Date of Disclosure of Financial Statements)		Blackout Period for Purchase and Sell in Case Any Incident Which May Affect the Securities Price Occurred
		Before Disclosure	After Disclosure	
The Company, its subsidiaries, associated companies, directors, executives, and/or any person in the position or in the command line which has access to the insider information of the Company, its subsidiaries, and associated companies	Securities of the Company, its subsidiaries, and associated companies	1 month prior to the date of the Board of Directors' Meeting which has the agenda to consider and approve the financial statements	1 day after the date of the Board of Directors' Meeting which approves the financial statements	- 14 days prior to the date of each Board of Directors' Meeting - Until 1 day after the date of each Board of Directors' Meeting

If any director, executive, or employee violates the aforementioned insider information policy, not only would there be a penalty according to the Securities and Exchange Act B.E. 2535 (as amended), but it would also be considered as a violation to the work regulations which a disciplinary action shall be imposed. The disciplinary actions consist of 3 degrees, from written warning, suspending no more than 7 days without pay, and dismissing without paying compensation, respectively depending on the nature of violation, degree of violation, or degree of damage occurred.

### Conflict of Interest Policy

VGI Group recognizes the importance of doing business with transparency, taking into account all stakeholders. Thus, it has become an important policy to prohibit the directors, executives, and employees from exploiting their positions to seek personal benefit from performing their duties. Therefore, a policy on related party transaction was adopted as a guideline for directors, executives, and employees of VGI Group (Please see additional information under Section 5.9 Related Party Transaction).

In this regard, VGI requires its directors and executives to send their report on conflict of interest of themselves and their related person(s) to the Company Secretary Division to keep for record and deliver copies of the same to the Chairman of the Board of Directors and the Chairman of the Audit Committee for their acknowledgement within 7 business days from the date of receipt of such report, as an information for examining and overseeing any item which may be a conflict of interest with VGI Group and to comply with relevant regulations, announcements, and the conflict of interest policy of the Company.

In addition, the Board of Directors also set additional conflict of interest policy to prevent any conflict of the best interest of VGI Group and VGI shareholders, including maintaining good corporate governance, as follows:

- 1) When entering into new business, the Company must propose the details regarding the feasibility study plan to the Board of Directors or any person designated by the Board of Directors, and must arrange for a consideration of investment plan, taking into account the return and benefit that would be generated upon the Company and its shareholders. Nonetheless, the Company has no policy to make any transaction with its directors, executives, major shareholders, or any related person thereof, unless it is necessary or to support the business of VGI Group, and for the best benefit of the Company and its shareholders as a whole. In addition, the Company must strictly comply with the relevant announcement and regulations with respect to related party transaction.
- 2) If it is necessary for the Company to lend to its joint venture company in a form of shareholder loan as a financial support, the Company will lend according to the investment proportion, unless there is a necessary and appropriate cause which the Board of Directors will consider and approve on a case by case basis.

However, the Company has no policy to lend money to its directors, executives, or shareholders and/or related person thereof or the joint venture business of the said persons, unless it is a lending proportionate to the investment percentage or for the best interest of the Company and its shareholders. In addition, the Company must strictly comply with the relevant announcements and regulations with respect to related party transaction.

- 3) The Company will prepare agreements in writing according to the form as required by laws, and systematically keep such agreements for record.
- 4) The Board of Directors has approved, in principle, with respect to trade agreements which contain general trade conditions for the transaction between the Company or its subsidiaries with the directors, executives, or any related person thereof to be in line with Section 89/12 of the Securities and Exchange Act B.E. 2535 (as amended). For the related party transaction which does not contain general trade conditions and/or following market price, the Company must strictly comply with the relevant announcements and regulations with respect to related party transaction.

#### **Oversight of the subsidiaries' and the associated companies' operations**

The Company has monitoring and supervising mechanisms in relation to the management and operation of its subsidiaries and associated companies to maintain benefit of the Company's investment, as follows:

- 1) The Board of Directors will consider and designate the Company's directors, executives or authorized persons to be the representatives in the subsidiaries and the associated companies according to the Company's shareholding ratio in such entities to monitor, supervise, and determine important policies and/or engage in the management of such businesses for the best interest of the Company. In this respect, the Board of Directors and/or the Executive Committee (as the case may be) will instruct the Company's representatives on the vote casting direction for any significant agenda items of the companies which VGI has invested in (whether directly or indirectly);
- 2) The Company has the mechanism to monitor the disclosure of financial information, operating results, the entry into connected transactions, acquisition and disposal of assets, or any other significant transactions of the subsidiaries and the associated companies so that they are accurate and complete according to the Office of the SEC's and the SET's regulations; and
- 3) The Company requires its subsidiaries and associated companies to have a suitable and adequate internal control system.

## Audit Fee

The Company and its subsidiaries have paid audit fee to auditors for reviewing and auditing the financial statements for the fiscal year ended 31 March 2020, with details as follows:

	2020/21 (THB million)	2019/20 (THB million)
Audit fee for the fiscal year (THB million)	3.97 <sup>(1)</sup>	17.52
Number of subsidiaries (companies)	9	26

Remark :

<sup>(1)</sup> There was a change in the number of the Company's subsidiaries in the fiscal year 2019/20, from 26 companies to 9 companies, resulting from the change in status of MACO from a subsidiary to an associate company. Therefore, the audit fee of the Company's subsidiaries reduced as a result of the decrease in the number of the Company's subsidiaries.

## Compliance with Other Principles of Good Corporate Governance

The SET has promoted and encouraged listed companies in Thailand to be aware of the benefits from operating the business based on good corporate governance, and recommended listed companies to comply with the "Principles of Good Corporate Governance for Listed Companies 2017" issued by the SET to elevate the corporate governance standard to be in line with international standards. These SET's recommended principles can be adapted to suit the situation of each company. Any non-compliance with the said principles will require an explanation. In 2019/20, the Company has complied with the foregoing principles, except for the following issues:

SET Recommendation	Explanation
Chairman of the Board should be an independent director	<p>The Company does not require the Chairman of the Board of Directors to be an independent director given the complexity, diversity and uniqueness of the Company's business. Thus, the Company requires a leader who is well equipped with capability, experience, expertise, true knowledge, and understanding of the Company's business operation.</p> <p>Even though the Chairman of the Board of Directors is not an independent director, he is a non-executive director. In addition, the Company has set in place a suitable and adequate internal control system and a check and balance mechanism that is transparent and verifiable. In addition, all directors adhere to their duties and responsibilities with due care and loyalty; and are independent in providing opinion on the Company's business operation to monitor and oversee the performance of the management to be carried out in an efficient, accurate and transparent manner, to protect the best interest of the Company and its shareholders.</p>
The Board should set a policy limiting the term of independent directors to be no more than 9 years	<p>The Board of Directors has not set a policy to limit the maximum term of the independent directors. However, there are no independent directors whose terms exceeded 9 years.</p>
All members of the Nomination and Remuneration Committee should be independent directors	<p>As of 31 March 2020, the Nomination and Remuneration Committee consisted of 5 members, 3 of which were independent directors, 1 of which was a non-executive director and another 1 of which was an executive director. The majority of the members of the Nomination and Remuneration Committee are independent directors. Based on the past performance of the Nomination and Remuneration Committee, these 5 members were independent in performing their functions as assigned by the Board of Directors with responsibility; and were able to approve or disapprove any matter without the management's interference. As such, the composition of the Nomination and Remuneration Committee is appropriate and adequate</p>

## NOMINATION, APPOINTMENT, AND REMUNERATION OF DIRECTORS AND EXECUTIVES

### Nomination and Appointment of Directors

#### Nomination of New Directors

The Nomination and Remuneration Committee is responsible for determining the criteria for nominating candidates for the Company's directors. Qualifications of the directors must be suitable and corresponding with the Company's strategy and the Board's structure, size and composition as determined by the Board of Directors. Such nominated persons must possess suitable qualifications in terms of knowledge, capability, experience, expertise and time dedication, and must be qualified according to the Public Limited Companies Act B.E. 2535 (1992) (as amended), the Securities and Exchange Act B.E. 2535 (1992) (as amended), and the relevant notifications of the SET and the Capital Market Supervisory Board. Appointment of the Company's directors must be approved by the Board of Directors' meeting (by disinterested directors) and/or the shareholders' meeting (as the case maybe). In nominating a new director, the Nomination and Remuneration Committee may engage a professional search firm or use the director pool database of various agencies or proceed by any other means as the Nomination and Remuneration Committee deems appropriate.

In nominating the Company's independent director, the candidate must be qualified according to the definition of an independent director as defined by the Company, which is more stringent than the requirements of the Office of the SEC and the SET.

In nominating a director, the Nomination and Remuneration Committee (by disinterested members) shall consider the structure of the Board of Directors to ensure that the Board of Directors has diversity, appropriate qualifications and skills that are necessary and still lacking in the Board of Directors according to the board skill matrix. In addition, to promote a good corporate governance practice, the Company allows the Company's shareholder(s) individually or jointly, who hold shares in an aggregate of not less than 5 percent of the Company's total voting rights, or hold shares in the amount of not less than 3 percent of the total voting rights, having held such shares no less than 6 months from the date of share acquisition to the date of proposal, to nominate director candidates for election at the annual general meeting of shareholders according to the requirements and conditions required by the Company.

### Qualifications of Directors

- 1) Completely qualifying to be a director of a company according to the Public Limited Companies Act B.E. 2535 (1992) (as amended), the Securities and Exchange Act B.E. 2535 (1992) (as amended), and the relevant notifications of the SET and the Capital Market Supervisory Board;
- 2) Possessing qualification and various knowledge, capabilities, skills, experience, and expertise that are beneficial to the Company's business operation;
- 3) Being independent, carrying out the director's duty with due care and integrity, possessing strong physical and mental health, including being able to dedicate to work for the Company; and
- 4) Possessing good professional background, not operate a business, being a partner in any ordinary partnership, being a partner without limit in any limited partnership, or being a director of any other private or public company, which has the same nature of business and competes with the Company, unless it was informed to the meeting of shareholders prior to the passing of resolution appointing such director and done so in compliance with the relevant regulations.

### Additional Qualifications of Independent Directors

A person who will be the Company's independent director must be qualified according to the definition of independent director as defined by the Company, which is more stringent than the requirements of the Office of the SEC and the SET, as follows:

- (1) Holding no more than 0.5 percent of the Company's total shares entitling to votes of the Company, its parent company, subsidiaries, associated companies, major shareholder, or controlling person, including the shares held by related persons of any such independent director;
- (2) Neither being nor having been a director involving in the management, employee, staff, salaried consultant, or controlling person of the Company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder, or controlling person, unless foregoing status has ended for not less than two years;

<sup>1</sup> As approved by the Board of Directors' Meeting No. 4/2020 held on 29 May 2020

- (3) Not being a person related by blood or registration under the laws as father, mother, spouse, sibling and child (including spouse of the children) of the executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the Company or its subsidiaries;
- (4) Not having business relationship with the Company, its parent company, subsidiaries, associated companies, major shareholder, or controlling person, in a manner which may interfere with his independent judgment; neither being nor having been a significant shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiaries, associated companies, major shareholder or controlling person, unless the foregoing relationship has ended for not less than 2 years;
- (5) Neither being nor having been an auditor of the Company, its parent company, subsidiaries, associated companies, major shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, associated companies, major shareholder or controlling person, unless the foregoing relationship has ended for not less than 2 years;
- (6) Neither being nor having been any professional advisor, including legal advisor or financial advisor, who receives service fees exceeding two million Baht from the Company per annum, its parent company, subsidiaries, associated companies, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of such professional advisor, unless the foregoing relationship has ended for not less than 2 years;
- (7) Not being a director who was appointed as a representative of the Company's directors, major shareholder, or shareholders who are related to the Company's major shareholder;
- (8) Not operating a business which has the same nature of business and competes with the business of the Company or subsidiaries or being the director involving in the management, employee, staff, salaried consultant, or holding shares exceeding 1 percent of the total number of voting rights of the other companies operating the business with the same nature and in competition with the Company or its subsidiaries; and

- (9) Not possessing any characteristic which disables the expression of independent opinions with respect to the Company's business operation.

Once appointed as an independent director, the independent director may be assigned by the Board of Directors to make collective decision on the operation of the Company, its parent company, subsidiaries, same-level subsidiaries, major shareholders, or controlling persons.

#### **Orientation for New Directors**

The Board of Directors has decided to organize orientation for new director to communicate the summary of visions, missions, and values of the Company, including providing documents for new director to complement his performance as a director of the Company.

#### **Term of Office of Directors**

In every annual general meeting of shareholders, one-third (1/3) of the directors, or the number nearest to one-third if the number is not a multiple of three, must retire from office. Retiring directors may be re-elected.

#### **Nomination of Chief Executive Office**

The Nomination and Remuneration Committee is responsible for the nomination of a person to be the Chief Executive Officer following to the qualifications specified by the Company, by considering the Deputy Chief Executive Officer and the Chief Executive Officer within the organization first. If there is no qualified person within the organization, then the Nomination and Remuneration Committee will nominate external candidate to propose to the Board of Directors for appointment. The candidate shall possess qualifications at least as follows:

- Completely qualifying to be an executive of a listed company according to the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the relevant notifications of the SET and the Capital Market Supervisory Board;
- Possessing visions with respect to the management of large organization and management of media business or related businesses; and
- Possessing leadership, being decent interpersonal relations and able to contact and cooperate in an international level, domestically and internationally.

#### **Succession Plan**

The Company has adopted a succession plan for executives with objectives (1) to subordinate personnel in the important positions in order for an uninterrupted



operation, (2) to respond to the business plan of the Company concerning the planning and preparation of manpower, and (3) to enhance the career path opportunity and encourage the employees as the Company has a policy to prioritize the nomination of the personnel within the organization. In this regard, the Company has considered the important positions which require a succession plan. The nomination of successors will take into account various factors, such as age, working experience, and past performance.

## Remuneration of Directors and Executives

### Directors' Remuneration

#### 1) Monetary Remuneration

The Nomination and Remuneration Committee determined the directors' remuneration for 2019 by

taking into account the business size and the Board of Directors' responsibilities, in comparison with other comparable listed companies in terms of market capitalization. The 2019 Annual General Meeting of Shareholders, held on 9 July 2019, passed a resolution to approve the directors' remuneration and bonus for the year 2019/20 in the amount of not exceeding THB 4.02 million, equivalent to 0.5 percent of the annual cash dividend of the Company paid to the shareholders from the Company's operating results for the fiscal year ended 31 March 2019 (increased by approximately 7.71 percent comparing with the directors' bonus of the preceding year in the amount of THB 3.71 million). The directors were delegated to allocate the same among themselves after being approved by the 2019 Annual General Meeting of Shareholders.

The rates of directors' remuneration (including the executives who took the position of director) in 2019/20 are as follows:

	Year 2019/20	Year 2018/19
Monthly Remuneration	per month/person	per month/person
Chairman of the Board of Directors	THB 80,000	THB 80,000
Chairman of the Audit Committee	THB 66,700	THB 66,700
Vice Chairman of the Board of Directors	THB 66,700	THB 66,700
Directors	THB 40,000	THB 40,000
Meeting Allowance	per attendance/person	per attendance/person
Board of Directors	None	None
Audit Committee		
- Chairman of the Audit Committee	THB 20,000	THB 20,000
- Members of the Audit Committee	THB 20,000	THB 20,000
Nomination and Remuneration Committee		
- Chairman of the Nomination and Remuneration Committee	THB 20,000	THB 20,000
- Members of the Nomination and Remuneration Committee	THB 20,000	THB 20,000
Corporate Governance Committee		
- Chairman of Corporate Governance Committee	THB 20,000	THB 20,000
- Members of Corporate Governance Committee	THB 20,000	THB 20,000
Risk Management Committee <sup>(1)(2)</sup>		
- Chairman of the Risk Management Committee	THB 20,000	-
- Members of the Risk Management Committee	None	None
Executive Committee	None	None

Remark :

<sup>1</sup> The Risk Management Committee was established during the fiscal year 2019/20 according to the resolution of the Board of Directors' Meeting No. 8/2019 on 8 November 2019.

<sup>2</sup> Subject to approval of the 2020 Annual General Meeting of Shareholders

Breakdown of directors' remuneration in 2018/19 is as follows:

(Unit: THB)

	Name	Remuneration	Meeting Allowance	Bonus	Total
1.	Mr. Keeree Kanjanapas	960,000	-	804,000	1,764,000
2.	Mr. Marut Arthakaivalvatee	800,400	140,000	402,000	1,342,400
3.	Mr. Kavin Kanjanapas	480,000	-	402,000	882,000
4.	Mr. Kong Chi Keung	480,000	-	402,000	882,000
5.	Mr. Surapong Laoha-Unya	480,000	-	402,000	882,000
6.	Mr. Chan Kin Tak	480,000	140,000	402,000	1,022,000
7.	Assoc. Prof. Jaruporn Viyanant	800,400	260,000	402,000	1,462,400
8.	Mrs. Maneeporn Siriwatanawong	480,000	180,000	402,000	1,062,000
9.	Mr. Kiet Srichomkwan <sup>(2)</sup>	480,000	180,000	402,000	1,062,000
<b>Total</b>		5,440,800	900,000	4,020,000	10,360,800

Remuneration which the Company's directors received from holding director position in the Company's subsidiaries in 2019/20 is as follows:

(Unit: THB)

	Name	Subsidiary	Position	Remuneration <sup>(1)</sup>
1.	Mr. Keeree Kanjanapas	POV	Director	5,000
		VGIAD	Director	5,000
2.	Mr. Kavin Kanjanapas	POV	Director	5,000
		VGIAD	Director	5,000
3.	Mr. Chan Kin Tak	POV	Director	5,000
		VGIAD	Director	5,000

Remark :

<sup>(1)</sup> the Company's director received only meeting allowance from the Company's subsidiaries.

2) Non-monetary remuneration

- None -

**Executive Remuneration**

The Nomination and Remuneration Committee is also responsible for considering and determining the amount and forms of short-term and long-term remunerations of the Chairman of the Executive Committee and the Chief Executive Officer. In determining such remuneration, the

Nomination and Remuneration Committee took into account the performance assessments based on various key performance indicators, business achievement, and the Company's operating results comparing with other listed companies in the same industry. The executive's remuneration must be proposed to the Board of Directors' meeting for consideration and approval on an annual basis.

Criteria for performance assessment are as follows:

Key Performance Indicators (KPIs)	
<b>Chairman of the Executive Committee</b>	<ul style="list-style-type: none"><li>• Shareholder's wealth</li><li>• Corporate governance</li><li>• Corporate social responsibilities</li><li>• Relationship with customers, landlords and business alliances</li></ul>
<b>Chief Executive Officer</b>	<ul style="list-style-type: none"><li>• Financial performance</li><li>• Service and products from customers' perspective</li><li>• Operational excellence</li><li>• Personnel development</li><li>• Innovation</li></ul>

For other executives, the Chief Executive Officer will determine the remunerations of each executive, as appropriate, based on various performance indicators. The overall annual salary adjustment will be in line with the economic situation and the Company's operating

results. The executives' remuneration (excluding the monthly remuneration and meeting allowance paid as directors and/or members of the sub-committees) in 2019/20 are as follows:

	Year 2019/20
Number of Executives (Person)	8
Remuneration from the Company and its subsidiaries (THB Million)	88.09

# INTERNAL CONTROL AND RISK MANAGEMENT

5.8

## Internal Control System

The Board of Directors places an importance on a good internal control system with a view that a good internal control system will enhance the Company's operation to achieve its objectives and goals as determined, particularly the matters relating to efficiency and effectiveness of business operations, reliability of financial reports and compliance with applicable laws and regulations. In this regard, the Board of Directors assigned the Audit Committee to review and evaluate the Company's internal control system, and report to the Board of Directors on an annual basis for determining a business supervisory framework and ensuring efficiency and effectiveness of the internal control system. The evaluation of the internal control system covers various aspects in accordance with the Internal Control-Integrated Framework set out by the COSO.

The Board of Directors' Meeting No. 4/2020, held on 29 May 2020, acknowledged the evaluation results and the Audit Committee's opinion on the sufficiency of the Company's internal control system, and had an opinion in line with the Audit Committee's that the Company's internal control system was sufficient and suitable for its business operation and that there were no material deficiencies in the internal control system. The details of which can be summarized as follows:

### 1) Control Environment

The Company clearly determined and reviewed its vision, missions, strategies and business directions and announced the same as an operational framework for all employees' acknowledgement. The Company also had an organization structure that supports the effectiveness of the Company's operation by dividing into command lines where the scope of duties and responsibilities of each command line were clearly determined. The organization structure is regularly reviewed to be suitable for the Company's business operation to ensure that each business unit can achieve their objectives and goals.

In addition, the Company has set out its policy and procedures for the approval of matters relating to finance, procurement, general administration, human resources management, and the Corporate Governance Policy and Code of Conduct with clear penalties set out to be imposed on any violation. The Company regularly reviewed and developed relevant policies, rules and operating procedure manual so that to be line with its vision, missions, strategies and business directions and suitable for situation. In this regard, the Company has

arranged a training program to build knowledge and understanding with respect to the Corporate Governance Policy and Code of Conduct, including measures and guidelines on anti-corruption for the Company's executives and personnel. Relevant policies, rules, and operating procedure manuals were communicated to the employees and published via the Company's intranet for acknowledgement. It was required as one of the duties and responsibilities of all directors, executives, and employees to acknowledge and strictly adhere to the Company's policies and guidelines. In this regard, the Company's directors, executives, and supervisors shall set a good example and be responsible for monitoring, supervising, and encouraging their subordinates to behave and comply with the Company's defined policies and guidelines.

### 2) Risk Management

The Company was aware of the importance of risk management as a key mechanism that would help the Company achieve its targets according to its objectives, business plans, strategies and visions. Thus, the Company has set up and developed framework and procedures to manage risks in line with the guidance outlined by the COSO to reduce probability of incident which might have negative impact on the organization. The risk management process consisted of 4 steps, i.e. (1) risk identification, (2) risk assessment, (3) risk management and mitigation, and (4) risk monitoring and report. Currently, the Company had a risk management structure, as follows:



In 2019/20, the Board of Directors appointed and assigned the Risk Management Committee consisting of an independent director sitting as a chairman, along with the chiefs from each command line as members of the Risk Management Committee. The Risk Management Committee's key duties were to determine a risk management policy, guidelines, and framework, including monitoring and providing recommendations in relation to the Company's risk management system and procedures so that they were constant and efficient. The risk management working team, consisting of representatives from each command line would help support the functions of the Risk Management Committee to ensure that the enterprise risks were within the risk appetite as determined by the Board of Directors. The Risk Management Committee was responsible for reporting the results of key enterprise risk assessment and management to the Board of Directors for acknowledgement on a regular basis at least once a year. In addition, the Company required that risk management shall be a responsibility of the executives and all employees. This was one of the key principles pursuant to the Company's risk management policy to embed the risk management as one of the corporate cultures (For further details, please refer to the Company's risk management policy at <http://investor.vgi.co.th/th/corporate-governance/corporate-policy>)

### 3) Control Activities

The Company has set policies, manuals, and operating procedures in writing and monitor, control, and ensure their strict compliance on a regular basis. The Company has set out clear scopes of authority and limit of approval of the Board of Directors, the Executive Committee, the Chief Executive Officer, and each level of management. There was an explicit separation of duties and responsibilities for procurement, accounting records and treasury to ensure efficiency of internal audit. In addition, the Company has also circumspectly specified policies and procedures on the Company's entry into transactions with its major shareholders, directors, executives, or any of their related persons, including the connected transactions or the transactions that may have conflict of interest. The policies and procedures were also specified for the use of insider information and the Company's assets for their own interest. These were consistent and in compliance with rules and regulations specified by the Office of SEC, the Capital Market Supervisory Board and the SET.

Moreover, the Company has set policies and procedures for regular monitoring and control of the operations of its subsidiaries. Guidelines regarding monitoring, supervising, and determining important policies were also provided to the Company's representatives who are in the

subsidiaries, to ensure that the operation of the subsidiaries would be in accordance with the objectives, targets, and the applicable laws.

### 4) Information and Communication

The Company gave priority to the quality of the information and communication system to ensure that the shareholders, the Board of Directors, sub-committees, executives, employees, and other stakeholders obtain accurate, complete, and sufficient information in a timely manner to make an informed decision. The Company has carried out various matters relating to the information and communication system, as follows:

- Adopted accounting policies that are in accordance with the Generally Accepted Accounting Principles (GAAP) which are suitable for the Company's business operation; and had all accounting records and its supporting documents which properly kept and verifiable;
- Prepared and delivered invitations to meetings together with supporting documents, and recorded minutes of meetings in an accurate and complete manner and proposed to the Board of Directors and shareholders within the time period specified by law; in addition, the Company has prepared and disclosed reports on management discussion and analysis, other material information, or information that may affect the price of the Company's securities, in accordance with the applicable regulations, including having important documents systematically kept by the company secretary in order for any verification;
- Communicated internally via various channels to allow the executives and employees to acknowledge and access the information efficiently, e.g. direct communication from the Chief Executive Office through the arrangement of CEO Town Hall, publication of news and documents of the Company via intranet, email, VGI LINE official account in LINE Messaging application, and other information platforms of the Company. Further, the Company also had the Company Secretary Division to cooperate and communicate with the Board of Directors and the sub-committees; and
- Arranged for an investor relations team to provide information and respond to the investors' enquiries, including arranging for a communicating channel for external stakeholders to communicate through the investor relations team, the Company Secretary Division, and the Internal Audit Division. (Please consider additional contact details under Subject 9. Corporate Governance) In addition, the Company has arranged a



specific channel for reporting on any suspicious corruption/bribery via email at VGI\_CAC@vgi.co.th. Those complaints will be collected and presented further to the Audit Committee and/or the Corporate Governance Committee and/or the Board of Directors (as the case may be).

## 5) Monitoring Activities

The Company had clear procedures to monitor the implementation of the internal control system to achieve the defined objectives and goals. Such procedures has been reviewed on a regular basis to be in line with the Company's business operation. The Internal Audit Division was responsible for reviewing and evaluating the Company's internal control system, including providing recommendations to improve operating procedures to ensure that the internal control system was sufficient and appropriate and report the evaluation results of the same directly to the Audit Committee. In case any material deficiencies were discovered, the relevant persons must report the cause and propose solutions to the Audit Committee and/or the Board of Directors (as the case may be). Furthermore, the Company has set up procedures to monitor the progress of the corrective actions and report the same to the Audit Committee and/or the Board of Directors (as the case may be) in the specified timeframe.

### Opinion of the Audit Committee and the Auditor on the Company's Internal Control System

The Audit Committee has evaluated the sufficiency of the Company's internal control system in 5 aspects, i.e. control environment, risk management, control activities, information and communication, and monitoring activities, and viewed that the Company's internal control system was sufficient and suitable for the business operation, capable of protecting the Company's assets from unduly or unauthorized use by its directors or the executives, and no material deficiency in the internal control system was found. In addition, the Company's auditor has reviewed the internal control system that relates to auditing to design an appropriate approach to audit consolidated financial statements and standalone financial statements for the current situation. The auditor viewed that the Company's consolidated financial statements and standalone financial statements accurately represents financial position, operating results, and cashflow of the Company as of 31 March 2020 and fairly according to the standards of financial reports.

### Internal Audit Division

The Internal Audit Division is responsible for examining and assessing the sufficiency of the Company's internal

control system on financial and non-financial information, including reviewing compliance with internal rules and providing recommendations for development and improvement of the Company's operations to ensure full compliance with applicable laws and regulations, with good corporate governance and internal control to enable the Company to achieve its business objectives.

The Internal Audit Division prepared an annual audit plan and a 3-year audit plan based on the risk assessment principles with respect to risks that may affect the Company's operation, covering the entire operating procedures of the organization. Such plans have been approved by the Audit Committee. The scope of Internal Audit Division's functions covers examination, review, and assessment of sufficiency and efficiency of the Company's internal control system, including quality of performance in the following matters:

- Reliability of the internal control system, including compliance with the accounting and financial standards and policies to ensure that the accounting and financial information of the Company and its subsidiaries is accurate and reliable, including measures for protecting the Company's assets from any corruption or fraud;
- Reliability of the internal control system in terms of administration and operation to ensure that they are in line with the policies and plans and complying with the applicable laws, rules, and regulations of the supervisory authorities, including the Company's rules which govern various aspects, i.e. management, operation, procurement, marketing, administration, finance and accounting, and human resources;
- Reliability of the internal control system in terms of information by reviewing the structure of the Information and Technology Division, access to information and programs, data processing, system development, data backup, backup plans in case of emergency, authority for operating the system, and storage of documents, manuals, and computer system flowchart; and
- Reliability of the internal control system in terms of anti-corruption to respond to the Company's anti-corruption measures, which shall promote the Company's business operation with integrity and sustainable development. In this respect, the Internal Audit Division is one of the channels to receive complaints. The operation manual in respect of receipt of complaints, was prepared which consist of general complaints, complaints on matters causing material adverse impact, and complaints on suspicious matters concerning corruption and fraud. The Internal Audit

Division will monitor the progress of complaint handling and report such progress to the Audit Committee.

The Internal Audit Division presents the audit report to the Audit Committee on a quarterly basis, including monitoring the progress of the corrective actions regularly as per the recommendations provided and encouraging the business units to conduct risk self-assessment. The Internal Audit Division is independent from other departments and is able to access the information and asset of the Company that relate to the auditing. The Internal Audit Division are also able to request for information and explanation from the relevant persons on the subject matters assigned by the Audit Committee to audit. This is to ensure that the internal control system is effective and efficient, the financial report is credible, and the operation is in compliance with the applicable laws, rules, and regulations of the governmental and supervisory agencies and in line with the Company's policies, plans, rules, regulations, orders, and announcements as well as to protect the Company's assets, to prevent the Company from any contingent damage, and to create checks and balances among the business units so that the goals are accomplished.

In addition, the Internal Audit Division encourages its personnel to develop their competencies by regularly attending internal and external training courses to enhance their knowledge, abilities, and expertise in internal audit function, including any other skills necessary to carry out the tasks.

### Head of Internal Audit Division

The Company has appointed Mr. Pipop Intaratut as the Internal Audit Director. Mr. Pipop Intaratut has extensive experience in conducting internal audit on business that has similar nature as the Company's business and has enrolled in various internal audit training programs, i.e. training programs organized by the Thai Institute of Directors (IOD), the Institute of Internal Auditors of Thailand (IIAT) and other organizations. Furthermore, Mr. Pipop Intaratut has knowledge and understanding in the Company's business activities and operations. Therefore, the Audit Committee viewed that Mr. Pipop Intaratut is appropriately qualified to perform this duty.

The appointment, dismissal, or transfer of the Head of Internal Audit must be approved by the Audit Committee.

### Details of Head of Internal Audit Division as of 31 March 2020

#### Mr. Pipop Intaratut

Age 49 years

#### Title

- Internal Audit Director

#### Education

- Bachelor of Business Administration (Accounting), Ramkhamhaeng University
- Master of Business Administration (Financial), Ramkhamhaeng University

#### Training program hosted by Thai Institute of Directors

- Director Accreditation Program (DAP)
- Audit Committee Program (ACP)
- Monitoring Fraud Risk Management (MFM)
- Monitoring the System of Internal Control and Risk Management (MIR)
- Monitoring the Internal Audit Function (MIA)
- Monitoring the Quality of Financial Reporting (MFR)
- Company Secretary Program (CSP)

#### Other training programs

- Anti-Corruption Synergy to Success, Institute of Internal Auditors of Thailand

- Crafting the Cybersecurity Excellences, Information Systems Audit and Control Association – Bangkok Chapter

#### Working Experience

2012 - Present Internal Audit Director VGI Plc.

#### Other Listed Companies in Thailand

2011 - Present Internal Audit Office Director  
BTS Group Holdings Plc.

2018 – Present Internal Audit Director Master Ad Plc.

#### Other Companies

2005 - Present Internal Audit Director  
Bangkok Mass Transit System Plc.

#### Other Organization

2014 - Present Member of Risk and Internal Control  
Committee Thai Listed Companies  
Association

# RELATED PARTY TRANSACTIONS

5.9

## Related party transactions between the Company and persons who may have conflicts of interest for the fiscal years ended 31 March 2020 and transactions during the past 2 years

For the fiscal year 2019/20, the Company and its subsidiaries had related party transactions disclosed by the auditor in the notes to audited financial statements and reviewed by the Audit Committee. The Audit Committee viewed that the management conducted the transactions for the utmost benefit of the Company on the arm's length basis under general trading conditions when compared with transactions with third party. The details of the key related party transactions of the Company and its subsidiaries are as follows:

Persons with Conflict of Interest / Relationship	Transactions	Transaction Value for the fiscal year ended			Necessity and Rationale of Transactions
		31 March 2020 (THB million)	31 March 2019 (THB million)	31 March 2018 (THB million)	
<b>BTSG</b> <ul style="list-style-type: none"> <li>BTSG is a major shareholder and a controlling person of the Company.</li> <li>The Company and BTSG have 4 directors in common, namely:                             <ol style="list-style-type: none"> <li>Mr. Keeree Kanjanapas;</li> <li>Mr. Kavin Kanjanapas;</li> <li>Mr. Surapong Laoha-Unya; and</li> <li>Mr. Kong Chi Keung.</li> </ol> </li> </ul>	Revenue from providing advertising media	85.56	-	-	It was the Company's normal course of business transaction. The service fees the Company charged BTSG was the same rates it charged other major customers.
	Expenses from using investor relations service and CSR works	5.40	7.36 <sup>(1)</sup>	4.20	BTSG is a listed company on the SET and the Company's parent company. BTSG has its own investor relations department and there are certain parts of business database that need to be shared between BTSG and the Company. Therefore, using the investor relations service from BTSG would benefit the Company in terms of operational flexibility. In addition, it would be more efficient to have one team handling investor relations activities of the two companies. In this respect, the investor relations service fees quoted by BTSG was reasonable comparing with cost that would incur to the Company if it renders the investor relations function itself or engages an external service provider
<b>Remark :</b> (1) A transaction value for the fiscal year 2018/19 was a sum of service fee and expense charged by BTSG from the following services, (a) investor relations service in the amount of THB 4.35 million and (b) CSR works in the amount of THB 3.01 million.					

Persons with Conflict of Interest / Relationship	Transactions	Transaction Value for the fiscal year ended			Necessity and Rationale of Transactions
		31 March 2020	31 March 2019	31 March 2018	
		(THB million)	(THB million)	(THB million)	
<b>BTSC</b> <ul style="list-style-type: none"> <li>BTSC is a major shareholder and a controlling person of the Company.</li> <li>The Company and BTSC have 3 directors in common, namely:               <ol style="list-style-type: none"> <li>Mr. Keeree Kanjanapas;</li> <li>Mr. Kavin Kanjanapas; and</li> <li>Mr. Surapong Laoha-Unya.</li> </ol> </li> </ul>	Revenue from providing advertising media and merchandising spaces	9.45	10.30	8.82	It was the Company's normal course of business transaction. The service fees the Company charged BTSC was the same rates it charged other major customers.
	Revenue from LCD screen service for BTSC to use for advertisement and communication	2.11	0.51	0.51	The Company had revenue from allowing BTSC to use LCD screens (which currently no longer used for the Company's business operation) at a reasonable price, which was beneficial to the Company.
	Concession fee in relation to the rights of marketing management in BTS Skytrain system between the Company and BTSC and expense relating to the said management	292.39	300.20	268.98	BTSC licensed the Company to manage marketing service in the BTS Skytrain system. The Company, therefore, was required to pay concession fee to BTSC. The concession fee payable to BTSC was comparable and close to the rates paid by other companies engaging in similar business as the Company's.
<b>Remark :</b> Since 18 May 2017, the rate of the concession fee has been increased from 5 percent to 10 percent of the total revenue from utilization of the commercial space in the BTS Skytrain system, pursuant to the License to Manage Marketing Service Agreement.					

Persons with Conflict of Interest / Relationship	Transactions	Transaction Value for the fiscal year ended			Necessity and Rationale of Transactions
		31 March 2020	31 March 2019	31 March 2018	
		(THB million)	(THB million)	(THB million)	
	Expenses for maintenance service for platform screen door system and signaling system	21.33	23.38	22.82	The Company engaged BTSC to provide maintenance services for the platform screen door system and its signaling system, because the work required particular expertise, given it related to the BTS Skytrain system. Therefore, BTSC had a good understanding in the system, given it had involved in the design process of the signaling system. The service fees quoted by BTSC was reasonable comparing with other service providers, taking into account BTSC's expertise.
<b>Rabbit Rewards Co., Ltd.</b> ("Rabbit Rewards") <ul style="list-style-type: none"> <li>Rabbit Rewards is a subsidiary of BTSG (holding the shares in Rabbit Rewards indirectly through RB Services Co., Ltd.), which is a major shareholder and a controlling person of the Company.</li> <li>The Company and Rabbit Rewards have 3 directors in common, namely:               <ol style="list-style-type: none"> <li>(1) Mr. Keeree Kanjanapas;</li> <li>(2) Mr. Kavin Kanjanapas; and</li> <li>(3) Mr. Surapong Laoha-Unya.</li> </ol> </li> </ul>	Revenue from providing advertising media and merchandising spaces	1.21	3.37	1.22	It was the Company's normal course of business transaction. The service fees charged to Rabbit Rewards was the same rates as the Company charged other major customers.
	Licensing fee and expenses for use of analytic services and database system to support the Company's advertising business	-	0.45	-	It was a transaction supporting the Company's normal course of business in relation to data analysis for enhancing efficiency in reaching target audience of the Company's advertising media. Rabbit Rewards had expertise in data analysis which would benefit the Company. Such service fee was reasonable comparing with the cost that would incur to the Company if it engages an external service provider.



Persons with Conflict of Interest / Relationship	Transactions	Transaction Value for the fiscal year ended			Necessity and Rationale of Transactions
		31 March 2020	31 March 2019	31 March 2018	
		(THB million)	(THB million)	(THB million)	
<b>Unison One Co., Ltd.</b> <b>("Unison One")</b> <ul style="list-style-type: none"> <li>Unison One is a subsidiary of U City Plc. ("<b>U City</b>"), who has a major shareholder in common with the Company, i.e. BTSG.</li> <li>BTSG and Unison One have 2 directors in common, namely:               <ol style="list-style-type: none"> <li>Mr. Kavin Kanjanapas; and</li> <li>Mr. Kong Chi Keung.</li> </ol> </li> </ul> <p><b>Remark :</b>            (1) On 15 September 2017, Unison One accepted the transfer of ownership over the office building from Dnal Co., Ltd. ("<b>Dnal</b>"), a subsidiary of BTSG, which is a major shareholder and a controlling person of the Company. The transaction value for the fiscal year ended 31 March 2018 comprised            (a) Transaction No. 1 – payment received by Dnal and Unison One in the amount of THB 7.45 million and THB 8.50 million, respectively; and            (b) Transaction No. 2 – payment received by Dnal and Unison One in the amount of THB 0.13 million and THB 0.06 million, respectively.</p>	Rental fees from the lease of office building space from Unison One (Transaction No.1)	17.62	16.54	15.95	It was a transaction supporting the Company's normal course of business. The expenses included rental and service fees from the rent of office space and storage space for advertising media tools and materials of the Company's and its subsidiaries. Location of the rented property was close to the BTS train depot which was convenient for conveying devices to be installed BTS-related advertising media. The fees charged by Unison One was the same rates it charged other tenants and were comparable with the rates offered for the nearby property.
	Expenses for advertising media through LCD screens in office building for the Company's customers (Transaction No. 2)	0.22	0.25	0.19 <sup>(1)</sup>	It was the Company's normal course of business transaction. The service fees payable to Unison One was similar to the fees paid to the owners of other large-sized buildings.
<b>Man Kitchen Co., Ltd.</b> <b>("Man Kitchen")</b> <ul style="list-style-type: none"> <li>Man Kitchen is a subsidiary of Man Food Holdings Co., Ltd. ("<b>Man Food</b>"), who has a major shareholder in common with the Company, i.e. BTSG.</li> <li>The Company and Man Kitchen have 1 director in common, namely Mr. Kavin Kanjanapas.</li> </ul>	Expenses for food and services at Chef Man Restaurant for customer entertainment	1.02	2.71	7.56	It was a transaction supporting the Company's normal course of business. The expenses were for customer reception at Chef Man Restaurant, which were the same rates it charged third party customers.

Persons with Conflict of Interest / Relationship	Transactions	Transaction Value for the fiscal year ended			Necessity and Rationale of Transactions
		31 March 2020	31 March 2019	31 March 2018	
		(THB million)	(THB million)	(THB million)	
<b>Little Corner Co., Ltd.</b> <b>("Little")</b> <ul style="list-style-type: none"> <li>Little is a subsidiary of Man Food (holding shares in Little indirectly through Man Kitchen), who has a major shareholder in common with the Company, i.e. BTSG.</li> <li>The Company and Little have 1 director in common, namely Mr. Kavin Kanjanapas.</li> </ul>	Expenses for food and services at M Krub Restaurant for customer entertainment	-	0.36	1.10	It was a transaction supporting the Company's normal course of business. The expenses were for customer reception at M Krub Restaurant, which were the same rates it charged third party customers.
<b>EGS Assets Co., Ltd.</b> <b>("EGS")</b> <ul style="list-style-type: none"> <li>EGS is a subsidiary of U City who has a major shareholder in common with the Company, i.e. BTSG.</li> <li>The Company and EGS have 2 directors in common, namely:               <ul style="list-style-type: none"> <li>(1) Mr. Kavin Kanjanapas; and</li> <li>(2) Mr. Kong Chi Keung.</li> </ul> </li> </ul> <p><b>Remark :</b>            (1) On 31 August 2018, EGS accepted the transfer of ownership over the land and building of Eastin Grand Sathorn Bangkok from Mo Chit Land Co., Ltd. ("<b>Mo Chit</b>") (formerly known as BTS Assets Co., Ltd.), a subsidiary of U City. The transaction values for the fiscal year ended 31 March 2018 is the payment received by Mo Chit from the Company, and the transaction values for the fiscal year ended 31 March 2019 comprised the payment received by Mo Chit and EGS in the amount of THB 0.773 million and THB 0.344 million, respectively.</p>	Room rental and service fees for holding meetings at Eastin Grand Hotel Sathorn	0.72	1.11	0.19 <sup>(1)</sup>	It was a transaction supporting the Company's normal course of business. The expenses were for residential and meeting rooms at Eastin Grand Sathorn Bangkok to accommodate customer reception and the Company's meetings. The rates charged by Eastin Grand Sathorn Bangkok were the same rates it charged third party customers.

Persons with Conflict of Interest / Relationship	Transactions	Transaction Value for the fiscal year ended			Necessity and Rationale of Transactions
		31 March 2020	31 March 2019	31 March 2018	
		(THB million)	(THB million)	(THB million)	
<b><u>Muangthong Assets Co., Ltd. ("Muangthong")</u></b> <ul style="list-style-type: none"> <li>Muangthong is a subsidiary of U City, who has a major shareholder in common with the Company, i.e. BTSG.</li> <li>The Company and Muangthong have 2 directors in common, namely:               <ol style="list-style-type: none"> <li>Mr. Kavin Kanjanapas; and</li> <li>Mr. Kong Chi Keung.</li> </ol> </li> </ul>	Service fee for holding board of directors' meetings at U Sathorn Bangkok Hotel	0.004	0.06	0.12	It was a transaction supporting the Company's normal course of business. The service fees were for meeting rooms for the board's meetings at U Sathorn Bangkok Hotel. The rates charged by U Sathorn Bangkok Hotel were the same rates it charged third party customers.
<b><u>Hwakay Thai (Thailand) Co., Ltd. ("Hwakay Thai")</u></b> <ul style="list-style-type: none"> <li>Ms. Susan Kanjanapas, a daughter of Mr. Keeree Kanjanapas, Chairman of the Board of Directors of the Company, is a director of, and has more than 10 percent interest in, and control over, Oriental Field Ltd., holding 49 percent shares in Hwakay Thai.</li> </ul>	Room rental and service fees for holding a shareholders' meetings at Eastin Hotel Makkasan Bangkok	-	0.05	0.20	It was a transaction supporting the Company's normal course of business. The expenses were for residential and meeting rooms at Eastin Makkasan Bangkok for customer reception and the Company's meetings. The rates charged by Eastin Makkasan Bangkok were the same rates it charged third party customers.

## Measures and Procedures for Approval of Related Party Transactions

The Company has set out measures and procedures for approval of related party transactions. Any entry into a related party transaction with interested persons by the Company and/or its subsidiaries must be considered and opined by the Audit Committee in terms of necessity and appropriateness of such transaction taking into account the best interest of the Company. If the Audit Committee does not have the expertise to consider such transaction, the Company shall engage an independent expert or the Company's auditor to provide opinion on such transaction, so that the Audit Committee and/or the Board of Directors and/or the shareholders, as the case may be, can use such opinion to support their decision-making. To approve related party transactions, any interested persons will not be entitled to vote on the relevant agenda. The Company will disclose any related party transactions in the notes to its financial statements audited by the Company's auditor, annual report, and annual registration statement (Form 56-1).

## Policy on Entry into Related Party Transactions

The Company set out its policy on entry into a related party transaction as follows:

- (1) Directors and executives of the Company and its subsidiaries must prepare a report on their conflicts of interest, including those of their related person(s), and submit the same to the Company as information for compliance with the regulations concerning related party transactions;
- (2) Entry into any related party transaction that may lead to any conflict of interest must be avoided;
- (3) In the case that it is necessary to enter into a related party transaction, the Company and its subsidiaries are required to propose such related party transaction to the Executive Committee, the Audit Committee, the Board of Directors, or the shareholders' meeting (as the case may be) for approval, except for the transaction having general commercial terms, which have been approved in principle by the Board of Directors;
- (4) When the Company wishes to enter into a related party transaction, it is required to comply with the Company's internal procedures and the regulations specified by the Office of the SEC and the SET;

- (5) Prices and conditions of a related party transaction shall be determined on an arm's length basis, which must be fair, reasonable, and for the best interest of the Company. In the case there is no comparable price in an uncontrolled transaction, the Company will compare the price with the products or services having the same or similar nature;
- (6) Any interested person on a related party transaction shall not be entitled to approve or vote on such agenda; and
- (7) In considering a key related party transaction, the Company or its subsidiaries may appoint an independent expert to appraise and compare the price in order to ensure that such related party transaction is reasonable and for the best interest of the Company.

## Tendency on Entry into Related Party Transactions with Interested Persons

The Company has a policy to avoid entry into any related party transactions that may lead to conflicts of interest. However, the Company may need to enter into a related party transaction with interested person(s) in the future probably because of continuous commercial agreements executed by the Company in the past or it may be part of the Company's normal course of business.

In this respect, the Board of Directors shall comply with laws concerning securities and exchange and relevant regulations, notifications, orders, or requirements and the Company's internal rules concerning related party transactions and major acquisition and disposition of asset transactions. This is to ensure that any decision to enter into these related party transactions will not create any conflicts of interest and will be made for the best interest of the Company and the shareholders. The Company will disclose its related party transactions in the annual registration statement (Form 56-1), annual report and the notes to financial statements audited by the Company's auditor.

# 5.10 PROFILES OF DIRECTORS AND EXECUTIVES

AS OF 31 MARCH 2020

\* Shares held by director and executive, including by their spouse and minor children. As of 1 April 2019, the Company had 8,611,165,707 total issued shares.

## Mr. Keeree Kanjanapas

Age 70 years

### Title

- Chairman / Authorised Director

### Education

#### Training programs organized by Thai Institute of Directors

- Director Accreditation Program (DAP) Year 2011

#### Other training programs

- Top Executive Program (CMA 10) Year 2010, Capital Market Academy

#### Date of Appointment as Director:

30 March 2012

#### Shareholding in the Company (%)\*

47,220,000 (0.55%)

#### Family Relationship with Other Directors and Executives

Father of Mr. Kavin Kanjanapas

#### Working Experience during Past 5 Years

2012 – Present Chairman of the Board of Directors, VGI Plc.

#### Other Listed Companies in Thailand

2017 – Present Chairman of the Board of Directors, U City Plc.  
 2012 – Present Chairman of the Corporate Governance Committee, BTS Group Holdings Plc.  
 2010 – Present Chairman of the Executive Committee, BTS Group Holdings Plc.  
 2006 – Present Chairman of the Board of Directors, BTS Group Holdings Plc.  
 1993 – Present Director, BTS Group Holdings Plc.

#### Other Companies

2020 – Present Director, U-Tapao International Aviation Co., Ltd.  
 2018 – Present Director, BTS Infrastructure Services Co., Ltd.  
 2017 – Present Director, BTS Infrastructure Development Co., Ltd.  
 2017 – Present Director, Eastern Bangkok Monorail Co., Ltd.  
 2017 – Present Director, Northern Bangkok Monorail Co., Ltd.

2017 – Present Director, RB Services Co., Ltd.  
 2015 – Present Chairman of the Executive Committee, Bangkok Mass Transit System Plc.  
 2010 – Present Chairman, Bangkok Mass Transit System Plc.  
 1996 – Present Director, Bangkok Mass Transit System Plc.  
 1996 – 2015 Chief Executive Officer, Bangkok Mass Transit System Plc.  
 2015 – Present Director, BSS Holdings Co., Ltd.  
 2010 – Present Director, Rabbit Rewards Co., Ltd.  
 2009 – Present Director, Bangkok Smartcard System Co., Ltd.  
 2009 – 2018 Director, BTS Land Co., Ltd.  
 1993 – 2018 Director, PrannaKiri Assets Co., Ltd.  
 1992 – 2018 Director, Tanayong Food and Beverage Co., Ltd.  
 1991 – 2018 Director, Thana City Golf & Sports Club Co., Ltd.  
 1990 – 2018 Director, Siam Paging and Communication Co., Ltd.  
 1990 – 2018 Director, Tanayong Property Management Co., Ltd.  
 1988 – 2018 Director, Nuvo Line Agency Co., Ltd.  
 2010 – 2015 Director, Muangthong Assets Co., Ltd.  
 2010 – 2015 Director, Kamkoong Property Co., Ltd.  
 2009 – 2015 Director, Nuvo Line Agency Co., Ltd.

## Mr. Marut Arthakaivalvatee

Age 64 years

### Title

- Vice Chairman / Member of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee / Authorized Director

### Education

- Bachelor Degree of Communication Arts, Chulalongkorn University
- Master Degree of Business Administration, Chulalongkorn University

#### Training Programs in 2019/20

- Digital Transformation for CEO No. 1 organized by Bangkok Biz News, Thansettakij, MFEC Public Company Limited

**Training Programs Organized by****Thai Institute of Directors**

- Director Accreditation Program (DAP) Year 2014
- Anti-Corruption for Executive Program (ACEP) Year 2014

**Other Training Programs**

- Academy of Business Creativity (ABC2), Year 2014, Sripatum University

**Date of Appointment as Director:**

15 November 2007

**Shareholding in the Company (%)\***

305,110 (0.004%)

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2016 – Present Vice Chairman, VGI Plc.  
 2015 – Present Member of the Corporate Governance Committee, VGI Plc.  
 2012 – Present Member of the Nomination and Remuneration Committee, VGI Plc.  
 2007 – Present Director, VGI Plc.  
 2012 – 2016 Member of the Executive Committee, VGI Plc.  
 1999 – 2016 Chief Executive Officer, VGI Plc.

**Other Listed Companies in Thailand**

2017 – Present Chairman, Nation Multimedia Group Plc.

**Other Companies**

2018 – Present Director, Ads Chaophraya Co., Ltd.  
 2018 – Present Director, Supremo Media Co., Ltd.  
 2017 – Present Director, The Icon VGI Co., Ltd.  
 2016 – Present Director, Aero Media Group Co., Ltd.  
 2007 – Present Director, VGI Advertising Media Co., Ltd.  
 2017 – 2018 Director, VGI Global Media (Malaysia) Sdn. Bhd.  
 2010 – 2015 Director, 999 Media Co., Ltd.  
 2010 – 2015 Director, 888 Media Co., Ltd.  
 2010 – 2015 Director, VGI Advertising China Company Limited  
 2007 – 2015 Director, Midas Global Media Co., Ltd.  
 2018 – Present Director, Supremo Media Co., Ltd.

**Mr. Kavin Kanjanapas**

Age 45 years

**Title**

- Director / Chairman of the Executive Committee / Authorized Director

**Education**

- Stonyhurst College, UK

**Training programs organized by****Thai Institute of Directors**

- Director Accreditation Program (DAP) Year 2007

**Other training programs**

- Top Executive Program (CMA 16) Year 2013, Capital Market Academy

**Date of Appointment as Director:**

28 May 2003

**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

Son of Mr. Keeree Kanjanapas

**Working Experience during Past 5 Years**

2012 – Present Chairman of the Executive Committee, VGI Plc.  
 2003 – Present Director, VGI Plc.

**Other Listed Companies in Thailand**

2017 – Present Director, U City Plc.  
 2015 – Present Chief Executive Officer, BTS Group Holdings Plc.  
 2010 – Present Member of the Executive Committee, BTS Group Holdings Plc.  
 2007 – Present Director, BTS Group Holdings Plc.  
 2010 – Present Member of the Executive Committee, BTS Group Holdings Plc.

**Other Companies**

2019 – Present Director, SLV Retail Co. Ltd.  
 2019 – Present Director, Majestic Park Co., Ltd.  
 2019 – Present Director, Future Domain Co., Ltd.  
 2018 – Present Director, Kerry Express (Thailand) Plc.  
 2018 – Present Director, Turtle 23 Co., Ltd.  
 2017 – Present Director, Man Food Holdings Co., Ltd.  
 2018 – Present Director, U Global Hospitality Co., Ltd.  
 2018 – Present Director, EGS Assets Co., Ltd.  
 2017 – Present Director, BTS Infrastructure Development Co., Ltd.



2017 – Present	Director, Vienna House (Thailand) Co., Ltd.	2010 – Present	Director, Absolute Hotel Services Hong Kong Limited
2017 – Present	Director, Northern Bangkok Monorail Co., Ltd.	2010 – Present	Director, Rabbit Rewards Co., Ltd.
2017 – Present	Director, Eastern Bangkok Monorail Co., Ltd.	2010 – Present	Director, BTS Land Co., Ltd.
2017 – Present	Director, BTS Infrastructure Development Co., Ltd.	2009 – Present	Director, Bangkok Mass Transit System Plc.
2017 – Present	Director, Man Food Holdings Co., Ltd.	2009 – Present	Director, Point of View (POV) Media Group Co., Ltd.
2017 – Present	Director, Mochit Land Co., Ltd.	2009 – Present	Director, VGI Advertising Media Co., Ltd.
2010 – 2015	Executive Chairman / Director, Mochit Land Co., Ltd	2008 – Present	Director, Thana City Golf & Sports Club Co., Ltd.
2017 – Present	Director, Kamkoong Property Co., Ltd.	2008 – Present	Director, Tanayong Property Management Co., Ltd.
2010 – 2015	Director, Kamkoong Property Co., Ltd.	2008 – Present	Director, Muangthong Assets Co., Ltd.
2017 – Present	Director, Natural Park Ville Co., Ltd.	2008 – Present	Director, PrannaKiri Assets Co., Ltd.
2017 – Present	Director, Natural Real Estate Co., Ltd.	2008 – Present	Director, Siam Paging and Communication Co., Ltd.
2017 – Present	Director, Park Opera Co., Ltd.	2008 – Present	Director, Tanayong Food and Beverage Co., Ltd.
2017 – Present	Director, Richee Property Management Co., Ltd.	2008 – Present	Director, Absolute Hotel Services Co., Ltd.
2017 – Present	Director, Park Gourmet Co., Ltd.	2014 – 2020	Director, Win Win Kitchen Co., Ltd.
2017 – Present	Director, Project Green Co., Ltd.	2017 – 2019	Director, Mochit Land Co., Ltd.
2017 – Present	Director, Unison One Co., Ltd.	2010 – 2015	Executive Chairman / Director, Mochit Land Co., Ltd.
2017 – Present	Director, RB Services Co., Ltd.	2015 – 2018	Director, Unicorn Enterprise Co., Ltd.
2017 – Present	Director, Keystone Management Co., Ltd.	2010 – 2015	Director, VGI Advertising China Co., Ltd.
2016 – Present	Director, KMJ 2016 Co., Ltd.	2010 – 2015	Director, 888 Media Co., Ltd.
2016 – Present	Director, Nine Square Property Co., Ltd.	2010 – 2015	Director, 999 Media Co., Ltd.
2015 – Present	Director, Travelodge (Thailand) Co., Ltd.	2009 – 2015	Director, Nuvo Line Agency Co., Ltd.
2015 – Present	Director, The Community Two Co., Ltd.		
2015 – Present	Director, The Community One Co., Ltd.		
2015 – Present	Director, Kingkaew Assets Co., Ltd.		
2015 – Present	Director, Ratburana Property Co., Ltd.		
2015 – Present	Director, Keystone Estate Co., Ltd.		
2015 – Present	Director, BSS Holdings Co., Ltd.		
2015 – Present	Member of the Executive Committee, Bangkok Smartcard System Co., Ltd.		
2009 – Present	Director, Bangkok Smartcard System Co., Ltd.		
2009 – 2015	Managing Director, Bangkok Smartcard System Co., Ltd.		
2014 – Present	Director, Little Corner Co., Ltd.		
2014 – Present	Director, Mak8 Co., Ltd.		
2013 – Present	Director, Man Kitchen Co., Ltd.		
2010 – Present	Director, Tanayong Hong Kong Limited		

**Mr. Surapong Laoha-Unya**

Age 58 years

**Title**

- Director / Chairman of the Executive Committee / Authorized Director

**Education**

- Bachelor of Engineering (Civil Engineering), Kasetsart University
- M.M.E. Civil Engineering, Chulalongkorn University

**Training programs organized by****Thai Institute of Directors**

- Director Accreditation Program (DAP) Year 2010

**Other training programs**

- The Senior Executive Bangkok Management Program Year 2013, Urban Green Development Institute

**Date of Appointment as Director:**

10 November 2006

**Shareholding in the Company (%)\***

84,110 (0.0009%)

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2006 – Present Director, VGI Plc.

**Other Listed Companies in Thailand**

– None –

**Other Companies**

2020 – Present Director, U-Tapao International Aviation Co., Ltd.

2018 – Present Director, BTS Infrastructure Services Co., Ltd.

2017 – Present Director, BTS Infrastructure Development Co., Ltd.

2017 – Present Director, Eastern Bangkok Monorail Co., Ltd.

2017 – Present Director, Northern Bangkok Monorail Co., Ltd.

2017 – Present Director, RB Services Co., Ltd.

2016 – Present Director, Rabbit Insurance Broker Co., Ltd.

2015 – Present Executive Director / Chief Executive Officer / Chief Administrative Officer (Acting) Bangkok Mass Transit System Plc.

2006 – Present Director, Bangkok Mass Transit System Plc.

2015 – 2019 Chief Operating Officer (Acting), Bangkok Mass Transit System Plc.

2006 – 2015 Chief Operating Officer, Bangkok Mass Transit System Plc.

2015 – Present Director, Rabbit Internet Co., Ltd.

2015 – Present Director, ASK Direct Group Co., Ltd.

2015 – Present Director, RabbitPay System Co., Ltd.

2015 – Present Director, BSS Holdings Co., Ltd.

2014 – Present Director, Bangkok Payment Solutions Co., Ltd.

2010 – Present Director, Rabbit Rewards Co., Ltd.

2009 – Present Executive Director / Director, Bangkok Smartcard System Co., Ltd.

2009 – 2018 Director, BTS Land Co., Ltd.

2010 – 2015 Director, Kamkoong Property Co., Ltd.

2009 – 2015 Director, Nuvo Line Agency Co., Ltd.

**Mr. Kong Chi Keung**

Age 45 years

**Title**

- Director / Authorized Director

**Education**

- BA (Honorary Degree) Business Administrative, University of Greenwich, United Kingdom
- MBA (Executive) Sasin Graduate Institute of Business Administration, Chulalongkorn University

**Training programs organized by****Thai Institute of Directors**

- Director Accreditation Program (DAP) Year 2007

**Date of Appointment as Director:**

15 June 2000

**Shareholding in the Company (%)\***

242,370 (0.003%)

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2000 – Present Director, VGI Plc.

**Other Listed Companies in Thailand**

2017 – Present Director, U City Plc.

2015 – Present Deputy Chief Executive Officer, BTS Group Holdings Plc.

2010 – Present Member of the Executive Committee, BTS Group Holdings Plc.

2010 – Present Member of the Nomination and Remuneration Committee, BTS Group Holdings Plc.  
2007 – Present Director, BTS Group Holdings Plc.

#### Other Companies

2020 – Present Director, U-Tapao International Aviation Co., Ltd.  
2019 – Present Director, Majestic Park Co., Ltd.  
2019 – Present Director, Future Domain Co., Ltd.  
2019 – Present Director, U Global Hospitality Holding (Hong Kong) Limited  
2019 – Present Director, U Hospitality Holding (Hong Kong) Limited  
2018 – Present Director, Turtle 23 Co., Ltd.  
2018 – Present Director, U Global Hospitality Co., Ltd.  
2018 – Present Director, EGS Assets Co., Ltd.  
2018 – Present Director, Thana City Golf & Sports Club Co., Ltd.  
2018 – Present Director, UNISON One Co., Ltd.  
2018 – Present Director, Muangthong Assets Co., Ltd.  
2018 – Present Director, PrannaKiri Assets Co., Ltd.  
2018 – Present Director, Siam Paging and Communication Co., Ltd.  
2018 – Present Director, Mak8 Co., Ltd.  
2018 – Present Director, Tanayong Food and Beverage Co., Ltd.  
2018 – Present Director, Tanayong Property Management Co., Ltd.  
2018 – Present Director, BTS Land Co., Ltd.  
2017 – Present Director, Park Gourmet Co., Ltd.  
2017 – Present Director, Project Green Co., Ltd.  
2017 – Present Director, Park Opera Co., Ltd.  
2017 – Present Director, Richee Property Management Co., Ltd.  
2017 – Present Director, Northern Bangkok Monorail Co., Ltd.  
2017 – Present Director, Eastern Bangkok Monorail Co., Ltd.  
2017 – Present Director, Kamkoong Property Co., Ltd.  
2017 – Present Director, Natural Real Estate Co., Ltd.  
2017 – Present Director, Natural Park Ville Co., Ltd.  
2016 – Present Director, Rabbit Insurance Broker Co., Ltd.  
2016 – Present Director, RABBIT-LINE PAY Co., Ltd.  
2016 – Present Director, Nine Square Property Co., Ltd.  
2016 – Present Director, The Community Two Co., Ltd.  
2016 – Present Director, The Community One Co., Ltd.  
2016 – Present Director, Kingkaew Assets Co., Ltd.  
2016 – Present Director, Ratburana Property Co., Ltd.

2015 – Present Director, ASK Direct Group Co., Ltd.  
2015 – Present Director, Rabbit Internet Co., Ltd.  
2015 – Present Director, ATS Rabbit Special Purpose Vehicle Co., Ltd.  
2015 – Present Member of Executive Committee, Bangkok Mass Transit System Plc.  
2012 – Present Chief Financial Officer, Bangkok Mass Transit System Plc.  
2014 – Present Director, Bangkok Payment Solutions Co., Ltd.  
2010 – Present Director, Tanayong Hong Kong Limited  
2008 – Present Director, Absolute Hotel Services Co., Ltd.  
2017 – 2019 Director, Mochit Land Co., Ltd.  
2017 – 2018 Director, BTS Sansiri Holding Thirteen Limited  
2017 – 2018 Director, BTS Sansiri Holding Twenty Two Limited  
2017 – 2018 Director, BTS Sansiri Holding Twenty One Limited  
2017 – 2018 Director, BTS Sansiri Holding Nineteen Limited  
2016 – 2018 Director, BTS Sansiri Holding Twenty Limited  
2016 – 2018 Director, Ratchada Alliance Co., Ltd.  
2016 – 2018 Director, BTS Sansiri Holding Seventeen Limited  
2016 – 2018 Director, BTS Sansiri Holding Sixteen Limited  
2016 – 2018 Director, BTS Sansiri Holding Fifteen Limited  
2016 – 2018 Director, Unicorn Enterprise Co., Ltd.  
2016 – 2018 Director, BTS Sansiri Holding Fourteen Limited  
2016 – 2018 Director, BTS Sansiri Holding Twelve Limited  
2016 – 2018 Director, BTS Sansiri Holding Eleven Limited  
2015 – 2018 Director, BTS Sansiri Holding Nine Limited  
2015 – 2018 Director, BTS Sansiri Holding Eight Limited  
2015 – 2018 Director, BTS Sansiri Holding Seven Limited  
2015 – 2018 Director, BTS Sansiri Holding Six Limited.  
2015 – 2018 Director, BTS Sansiri Holding Five Limited  
2015 – 2018 Director, BTS Sansiri Holding Four Limited

2015 – 2018	Director, BTS Sansiri Holding Three Limited
2015 – 2018	Director, BTS Sansiri Holding Two Limited
2015 – 2018	Director, BTS Sansiri Holding One Limited
2015 – 2018	Director, Nuvo Line Agency Co., Ltd.
2016 – 2017	Director, Keystone Estate Co., Ltd.
2010 – 2015	Director, VGI Advertising China Co., Ltd.

#### **Mr. Chan Kin Tak**

Age 54 years

#### **Title**

- Director / Member of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee / Member of the Risk Management Committee / Member of the Executive Committee / Chief Operating Officer / Authorized Director

#### **Education**

- St. Louis Old Boy College

#### **Training programs organized by Thai Institute of Directors**

- Director Accreditation Program (DAP) Year 2010
- Director Certification Program (DCP) Year 2013

#### **Date of Appointment as Director:**

15 November 2007

#### **Shareholding in the Company (%)\***

–

#### **Family Relationship with Other Directors and Executives**

–

#### **Working Experience during Past 5 Years**

2019 – Present	Member of the Risk Management Committee, VGI Plc.
2015 – Present	Member of the Corporate Governance Committee, VGI Plc.
2012 – Present	Member of the Executive Committee, VGI Plc.
2012 – Present	Member of the Nomination and Remuneration Committee, VGI Plc.
2007 – Present	Director, VGI Plc.
2003 – Present	Chief Operating Officer, VGI Plc.

#### **Other Listed Companies in Thailand**

- None -

#### **Other Companies**

2017 – Present	Director, VGI Global Media (Malaysia) Sdn. Bhd.
2016 – Present	Director, Demo Power (Thailand) Co., Ltd.
2009 – Present	Director, Point of View (POV) Media Group Co., Ltd.
2007 – Present	Director, VGI Advertising Media Co., Ltd.
2010 – 2015	Director, 999 Media Co., Ltd.
2010 – 2015	Director, 888 Media Co., Ltd.
2010 – 2015	Director, VGI Advertising China Company Limited
2007 – 2015	Director, Midas Global Media Co., Ltd.

#### **Assoc. Jaruporn Viyanant**

Age 75 years

#### **Title**

- Independent Director / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee

#### **Education**

- Bachelor Degree of Accounting, Thammasat University
- Master Degree of Financial Economics, Middle Tennessee State University, United States of America

#### **Training Programs in 2019/20**

- BOT Symposium 2019: Competitive Thailand, organized by Bank of Thailand and the Puey Ungphakorn Institute for Economic Research
- Audit Committee Forum 2019: Strategic Audit Committee: Beyond Figure and Compliance, organized by the Thai Institute of Directors, Office of the SEC, Deloitte Touche Tohmatsu Jaiyos Co., Ltd., EY Office Limited, KPMG Phoomchai Audit Ltd., and ABAS Ltd. PricewaterhouseCoopers
- Seminar Re: Audit Adjustments Required by Auditors on Financial Statements for Fiscal Year 2018, organized by the SET

#### **Training Programs Organized by Thai Institute of Directors**

- Director Certification Program (DCP) Year 2009
- Audit Committee Program (ACP) Year 2009
- Monitoring the Internal Audit Function (MIA) Year 2010
- Monitoring the Quality of Financial Reporting (MFR) Year 2010

- Monitoring Fraud Risk Management (MFM) Year 2010
- Monitoring the System of Internal Control and Risk Management (MIR) Year 2010
- Role of the Compensation Committee (RCC) Year 2011
- Advanced Audit Committee Program (AACP) Year 2013
- Anti-Corruption for Executive Program (ACEP) Year 2015
- Boards Make a Difference (BMD) Year 2019

#### Other training programs

- Top Executive Program (CMA 10) Year 2010, Capital Market Academy
- Advanced Certificate Course, King Prajadhipok's Institute

#### Date of Appointment as Director:

30 March 2012

#### Shareholding in the Company (%)\*

–

#### Family Relationship with Other Directors and Executives

–

#### Working Experience during Past 5 Years

- 2015 – Present Chairman of the Corporate Governance Committee, VGI Plc.
- 2015 – Present Member of the Nomination and Remuneration Committee, VGI Plc.
- 2012 – Present Chairman of the Audit Committee, VGI Plc.
- 2012 – Present Independent Director, VGI Plc.
- 2012 – 2015 Chairman of the Nomination and Remuneration Committee, VGI Plc.

#### Other Listed Companies in Thailand

- 2015 – Present Chairman of the Corporate Governance and Social Responsibilities Committee / Member of the Audit Committee / Independent Director, Inoue Rubber (Thailand) Plc.

#### Other Companies

- 2017 – Present Independent Director / Chairman of the Audit Committee, BBGI Plc.
- 2014 – Present Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee, Ocean Life Insurance Plc.

- 2016 – 2017 Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee, KSL Green Innovation Plc.

#### Other Organizations

- 2008 – Present Academic Professional, Faculty of Commerce and Accountancy, Thammasat University
- 2005 – Present Academic Standard Committee, Faculty of Business Administration, Rangsit University
- 2018 – 2018 Audit and Corporate Governance Sub-Committees, Thailand Arbitration Centre, Ministry of Justice
- 2014 – Present Monitoring and Evaluation Committee, Office of The National Broadcasting and Telecommunications Commission
- 2012 – Present Member of the Audit Committee, Electronic Government Agency (EGA)
- 2009 – 2015 Expert Committee, Thai Chamber of Insurance Industry

#### Mrs. Maneeporn Siriwatanawong

Age 71 years

#### Title

- Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee

#### Education

- Bachelor Degree of Accounting, Thammasat University

#### Training programs organized by Thai Institute of Directors

- Director Accreditation Program (DAP) Year 2012

#### Date of Appointment as Director:

30 March 2012

#### Shareholding in the Company (%)\*

–

#### Family Relationship with Other Directors and Executives

–

#### Working Experience during Past 5 Years

- 2015 – Present Chairman of the Nomination and Remuneration Committee, VGI Plc.
- 2012 – Present Member of the Audit Committee, VGI Plc.
- 2012 – Present Independent Director, VGI Plc.

2012 – 2015 Member of the Nomination and Remuneration Committee, VGI Plc.

#### Other Listed Companies in Thailand

- None -

#### Other Companies

2010 – 2019 Advisor, Singhapattana Chiang Mai Co., Ltd.  
2010 – 2019 Advisor, Chiang Mai Pattana Group Co., Ltd.

#### Mr. Kiet Srichomkwan

Age 83 years

#### Title

- Independent Director / Member of the Audit Committee / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee

#### Education

- Bachelor Degree in Business Administration, Western New Mexico University

#### Training Programs in 2019/20

- Risk Management Program for Corporate Leaders (RCL) organized by Thai Institute of Directors

#### Training programs organized by

##### Thai Institute of Directors

- Director Certification Program (DCP) Year 2002
- Director Accreditation Program (DAP) Year 2003
- Finance for Non-Finance Director (FND) Year 2003
- Audit Committee Program (ACP) Year 2004
- Improving the Quality of Financial Reporting (QFR) Year 2006
- Monitoring the Quality of Financial Reporting (MFR) Year 2009
- Monitoring the Internal Audit Function (MIA) Year 2010
- Monitoring Fraud Risk Management (MFM) Year 2010
- Monitoring the System of Internal Control and Risk Management (MIR) Year 2010
- Role of the Nomination and Governance Committee (RNG) Year 2012
- Role of the Chairman Program (RCP) Year 2012
- Director Certification Program Update (DCPU)

#### Other Training Programs

- Top Executive Program in Commerce and Trade (TEPCoT) Year 2009 organized by Commerce Academy

#### Date of Appointment as Director:

22 August 2016

#### Shareholding in the Company (%)\*

–

#### Family Relationship with Other Directors and Executives

–

#### Working Experience during Past 5 Years

2019 – Present Chairman of the Risk Management Committee, VGI Plc.  
2017 – Present Member of the Nomination and Remuneration Committee, VGI Plc.  
2016 – Present Member of the Audit Committee, VGI Plc.  
2016 – Present Independent Director, VGI Plc.

#### Other Listed Companies in Thailand

2019 – Present Chairman of the Remuneration and Nomination Committee, The Navakij Insurance Plc.  
1999 – Present Independent Director / Audit Committee, The Navakij Insurance Plc.  
2012 – 2019 Member of the Remuneration and Nomination Committee, The Navakij Insurance Plc.

#### Other Companies

2003 – Present Chairman, Alinkij Siam Co., Ltd.  
2002 – Present Chairman, Toyota Petchaboo Toyota's Dealer Co., Ltd.  
1995 – Present Director, Pen Sook Co., Ltd.  
1990 – Present Director, Suan Petchaboon Co., Ltd.  
1988 – Present Director, Din Prasit Co., Ltd.  
1988 – Present Director, Thai Petchaboon Co., Ltd.  
1987 – Present Director, Suan Silver Beach Co., Ltd.  
1977 – Present Chairman of the Board of Director, Benja Rungrueng Co., Ltd.

#### Mr. Lap Shun Nelson Leung

Age 45 years

#### Title

- Member of the Risk Management Committee / Member of the Executive Committee / Chief Executive Officer

#### Education

- Bachelor of Mathematics, University of Waterloo, Canada
- MBA (Executive) Sasin Graduate Institute of Business Administration of Chulalongkorn University



**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2019 – Present	Member of the Risk Management Committee, VGI Plc.
2018 – Present	Chief Executive Officer, VGI Plc.
2017 – Present	Member of the Executive Committee, VGI Plc
2017 – 2018	Deputy Chief Executive Officer, VGI Plc

**Other Listed Companies in Thailand**

2019 – 2020	Director, Plan B Media Plc.
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**Other Companies**

2019 – Present	Director, V-Click Technology Co., Ltd.
2019 – Present	Director, VGI AnyMind Technology Co., Ltd.
2017 – Present	Director, RB Services Co., Ltd.
2017 – Present	Member of the Executive Committee, Bangkok Smartcard System Co., Ltd.
2016 – Present	Chief Executive Officer, BSS Holdings Co., Ltd.
2016 – Present	Director, Rabbit-LINE Pay Co., Ltd.
2015 – Present	Director, BSS Holdings Co., Ltd.
2015 – Present	Director, Rabbit Internet Co., Ltd.
2015 – Present	Director, Rabbit Insurance Broker Co., Ltd.
2015 – Present	Director, ASK Direct Group Co., Ltd.
2015 – Present	Director, RabbitPay System Co., Ltd.
2015 – Present	Director, ATS Rabbit Special Purpose Vehicle Co., Ltd.
2014 – Present	Director, Bangkok Payment Solutions Co., Ltd.
2010 – Present	Director, Rabbit Rewards Co., Ltd.
2009 – Present	Director, Bangkok Smartcard System Co., Ltd.
2015 – 2017	Chief Executive Officer, Bangkok Smartcard System Co., Ltd.
2009 – 2015	Member of Executive Committee, Bangkok Smartcard System Co., Ltd.

**Mrs. Oranuch Rujirawona**

Age 56 years

**Title**

- Member of the Risk Management Committee / Member of the Executive Committee / Chief Sales Officer

**Education**

- Bachelor Degree of Business Administration, Rajapark Institute

**Other Training Programs**

- Academy of Business Creativity (ABC1), Year 2013, Sripatum University

**Shareholding in the Company (%)\***

2,300,000 (0.026%)

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2019 – Present	Member of the Risk Management Committee, VGI Plc.
2017 – Present	Member of the Executive Committee / Chief Sales Officer, VGI Plc.
2012 – 2016	Member of the Executive Committee, VGI Plc.
1999 – 2016	Chief Sales and Marketing Officer, VGI Plc.

**Other Listed Companies in Thailand**

- None -

**Other Companies**

- None -

**Mrs. Chitkasem Moo-Ming**

Age 45 years

**Title**

- Member of the Risk Management Committee / Member of the Executive Committee / Chief Financial Officer

**Education**

- Bachelor of Business Administration, Finance and Banking, Chulalongkorn University
- Master of Business Administration, Finance and Strategy, University of North Carolina at Chapel Hill, United States of America

**Training Programs in 2019/20**

- TLCA CFO Professional Development Program (TLCA CFO CPD): with topic "How important are intangible assets impairments?" and "How important of employee benefit actuarial valuation" organized by Thai Institute of Directors
- "Know accounting, understand tax and analysis for decision-making in business" held by Faculty of Commerce and Accountancy, Chulalongkorn University

**Training Programs Organized by  
Thai Institute of Directors**

- Company Secretary Program (CSP) Year 2012,
- Director Certificate Program (DCP) Year 2014

**Other Training Programs**

- CEDI-Babson Entrepreneurial Leadership Program  
Babson College, United States of America

**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

- 2019 – Present Member of the Risk Management Committee, VGI Plc.
- 2016 – Present Member of the Executive Committee / Chief Financial Officer, VGI Plc.

**Other Listed Companies in Thailand**

- 2016 – 2016 Senior Vice President – Finance and Accounting, Oishi Group Plc.
- 2016 – 2016 Company Secretary, Oishi Group Plc.
- 2013 – 2016 Vice President Finance and Accounting, Oishi Group Plc.
- 2012 – 2016 Member of the Risk Management Committee, Oishi Group Plc.

**Other Companies**

- 2016 – 2016 Director, and Senior Vice President, Thai Drinks Co., Ltd.
- 2015 – 2016 Director, Food of Asia Co., Ltd.
- 2015 – 2016 Director, Oishi Group Limited Liability Company, Vietnam
- 2014 – 2016 Director, Oishi Myanmar Limited, Myanmar
- 2014 – 2016 Director, SPM Foods and Beverages Co., Ltd.
- 2014 – 2016 Director, Oishi F&B (Singapore) Pte. Ltd., Singapore
- 2013 – 2016 Director, Oishi International Holdings Limited, Hong Kong

**Ms. Voraluck Worachuttharn**

Age 36 years

**Title**

- Member of the Risk Management Committee / Member of the Executive Committee / Chief Legal and Compliance Officer / Company Secretary

**Education**

- Bachelor of Laws, Thammasat University
- Master of Laws in Banking and Finance Law, Queen Mary, University of London, United Kingdom
- Master of Laws, King's College London, United Kingdom

**Training Programs in 2019/20**

- Risk Management Program for Corporate Leaders (RCL) organized by Thai Institute of Directors
- How to Develop a Risk Management Plan (HRP) organized by Thai Institute of Directors
- Director Certification Program (DCP) organized by Thai Institute of Directors Seminar "TDPG2.0 Data Protection in Practice No. 3
- Research Center for Law and Development, Faculty of Law, Chulalongkorn University

**Training Programs Organized by  
Thai Institute of Directors**

- Company Secretary Program (CSP) Year 2019

**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

- 2019 – Present Member of the Risk Management Committee, VGI Plc.
- 2019 – Present Company Secretary / Member of the Executive Committee / Chief Legal and Compliance Officer, VGI Plc.

**Other Listed Companies in Thailand**

–

**Other Companies**

- 2013 – 2019 Senior Associate, The Capital Law Office Limited
- 2012 – 2013 Associate, Hunton & Williams (Thailand) Ltd. Currently known as Hunton Andrews Kurth (Thailand) Ltd.
- 2010 – 2012 Associate, Weerawong, Chinnavat & Peangpanor Ltd. Currently known as Weerawong, Chinnavat & Partners Ltd.
- 2007 – 2008 Associate, Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.

**M.L. Kriengkrai Hastindra**

Age 75 years

**Title**

- Member of the Executive Committee / Deputy Chief Sales Officer

**Education**

- Rajamangala University of Technology Krungthep

**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2017 – Present Deputy Chief Sales Officer, VGI Plc.  
 2012 – Present Member of the Executive Committee, VGI Plc.  
 2007 – 2017 Deputy Chief Sales and Marketing, VGI Plc. Officer

**Other Listed Companies in Thailand**

–

**Other Companies**

2016 – Present Director, Demo Power (Thailand) Co., Ltd.  
 2015 – Present Director, Aero Media Group Co., Ltd.  
 2015 – 2018 Director, Midas Global Media Co., Ltd.

**Ms. Daranee Phanklin**

Age 55 years

**Title**

- Financial Controller

**Education**

- Bachelor Degree of Accounting, Dhurakij Pundit University
- Master Degree of Business Administration, Dhurakij Pundit University

**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2008 – Present Financial Controller, VGI Plc.  
 1999 – 2008 Financial Manager, VGI Plc.

**Other Listed Companies in Thailand**

2014 – 2020 Director, Master Ad Plc.  
 2018 – 2020 Member of the Corporate Governance Committee, Master Ad Plc.

**Other Companies**

2020 – Present Director, Titanium Compass Sdn. Bhd.  
 2016 – 2020 Director, Green Ad Co., Ltd.  
 2016 – 2020 Director, Master & More Co., Ltd.

**Mrs. Pitchapaksorn Jit-Opas**

Age 52 years

**Title**

- Billing and Accounting Director (Designated to be directly responsible for supervising the accounting, qualified according to the qualifications and conditions of accountant as required by the Announcement of the Department of Business Development)

**Education**

- Bachelor Degree of Accounting, Ramkhamhaeng University
- Master Degree of Accounting, Ramkhamhaeng University

**Training programs in 2019/20**

- TFRS 9 and TFRS 7: Accounting for Hedging Accounting Training organized by EY Office Limited (CPD 12 hours)
- TFRS 9 and TFRS 7: Financial Instruments: Classification and Measurement Training organized by EY Office Limited (CPD 9 hours)

**Shareholding in the Company (%)\***

–

**Family Relationship with Other Directors and Executives**

–

**Working Experience during Past 5 Years**

2008 – Present Billing and Accounting Director, VGI Plc.  
 2000 – 2008 Accounting Manager, VGI Plc.

**Other Listed Companies in Thailand**

– None –

**Other Companies**

2015 – 2019 Director, Aero Media Group Co., Ltd.  
 2014 – 2015 Chief Financial Officer, Midas Global Media Co., Ltd.

# INFORMATION ON THE POSITIONS OF DIRECTORS AND EXECUTIVES IN THE COMPANY, SUBSIDIARIES, ASSOCIATED COMPANIES, JOINTLY CONTROLLED ENTITIES AND RELATED COMPANIES

5.11

as of 31 March 2020

Companies	Directors and Executives															
	Mr. Keeree Kanjanapas	Mr. Marut Arthakaivalatee	Mr. Kavin Kanjanapas	Mr. Surapong Laoha-Unya	Mr. Kong Chi Keung	Mr. Chan Kin Tak	Assoc. Prof. Jaruporn Viyanant	Mrs. Maneeporn Siriwatanawong	Mr. Kiet Srichomkwan	Mr. Lap Shun Nelson Leung	Mrs. Oranuch Rujirawona	Mrs. Chitkasem Moo-Ming	Ms. Voraluck Worachuttharn	M.L. Kriengkrai Hastindra	Ms. Daranee Phanklin	Mrs. Pitchapaksorn Jit-Opas
VGI Plc.	A	B	C,G,K	G	G	F,G,K	H, J	I, J	I, J	D,F,K	F, K	F, K	F, K	F	K	K
Subsidiaries																
1. VGI Advertising Media Co., Ltd.		G	G			G										
2. 888 Media Co., Ltd.																
3. Point of View (POV) Media Group Co., Ltd.		G	G			G										
4. BSS Holdings Co., Ltd.	G		G	G						D, G						
5. RabbitPay System Co., Ltd.				G						G						
6. ASK Direct Group Co., Ltd.				G	G					G						
7. Rabbit Insurance Broker Co., Ltd.				G	G					G						
8. Rabbit Internet Co., Ltd.				G	G					G						
9. Bangkok Smartcard System Co., Ltd.	G		F, G	F, G						D,F,G						
Associated Companies																
1. Master Ad Plc.																
2. VGI Global Media (Malaysia) Sdn. Bhd.						G										
3. VGI MACO (Singapore) Private Limited																
4. Demo Power (Thailand) Co., Ltd.						G								G		
5. Aero Media Group Co., Ltd.		G												G		G
6. Groupwork Co., Ltd.																
7. Kerry Express (Thailand) Plc.			G													
8. Ads Chaophraya Co., Ltd.		G														
Jointly Controlled Entities																
1. Titanium Compass Sdn. Bhd.															G	
2. The ICON VGI Co., Ltd.		G														
3. Supremo Media Co., Ltd.		G														
4. Rabbit-LINE Pay Co., Ltd.					G					G						
5. ATS Rabbit Special Purpose Vehicle Co., Ltd.					G					G						
6. BV Media Ads Limited																
7. VGI AnyMind Technology Company Limited																
8. V-Click Co., Ltd.										G						
9. SLV Retail Co., Ltd.			G													

Companies	Directors and Executives															
	Mr. Keeree Kanjanapas	Mr. Marut Arthakaivalatee	Mr. Kavin Kanjanapas	Mr. Surapong Laoha-Unya	Mr. Kong Chi Keung	Mr. Chan Kin Tak	Assoc. Prof. Jaruporn Viyanant	Mrs. Maneeporn Siriwatanawong	Mr. Kiet Srichomkwan	Mr. Lap Shun Nelson Leung	Mrs. Oranuch Rujirawona	Mrs. Chitkasem Moo-Ming	Ms. Voraluck Worachuttharn	M.L. Kriengkrai Hastindra	Ms. Daranee Phanklin	Mrs. Pitchapaksorn Jit-Opas
Related Companies																
1. BTS Group Holdings Plc.	A, C		D,F,G	F, G	E,F,G											
2. Bangkok Mass Transit System Plc.	A, C		G	D,F,G	F, K											
3. BTS Infrastructure Services Co., Ltd.	G		G	G												
4. BTS Infrastructure Development Co., Ltd.	G		G	G												
5. Northern Bangkok Monorail Co., Ltd.	G		G	G	G											
6. Eastern Bangkok Monorail Co., Ltd.	G		G	G	G											
7. The Community Two Co., Ltd.			G		G											
8. The Community One Co., Ltd.			G		G											
9. Kingkaew Assets Co., Ltd.			G		G											
10. U City Plc.	A		G		G											
11. Tanayong Hong Kong Limited			G		G											
12. Thana City Golf & Sports Club Co., Ltd.			G		G											
13. Absolute Hotel Services Co., Ltd.			G		G											
14. Travelodge Co., Ltd.			G													
15. Absolute Golf Services Co., Ltd.			G													
16. Absolute Hotel Services Hong Kong Limited			G													
17. Kamkoong Property Co., Ltd.			G		G											
18. Tanayong Property Management Co., Ltd.			G		G											
19. UNISON One Co., Ltd.			G		G											
20. Muangthong Assets Co., Ltd.			G		G											
21. BTS Land Co., Ltd.			G		G											
22. Tanayong Food and Beverage Co., Ltd.			G		G											
23. Mak8 Co., Ltd.			G		G											
24. Ratburana Property Co., Ltd.			G		G											
25. Nine Square Property Co., Ltd.			G		G											
26. PrannaKiri Assets Co., Ltd.			G		G											
27. Siam Paging and Communication Co., Ltd.			G		G											
28. Project Green Co., Ltd.			G		G											

Companies	Directors and Executives															
	Mr. Keeree Kanjanapas	Mr. Marut Arthakaivalvatee	Mr. Kavin Kanjanapas	Mr. Surapong Laoha-Unya	Mr. Kong Chi Keung	Mr. Chan Kin Tak	Assoc. Prof. Jaruporn Viyanant	Mrs. Maneeporn Siriwatanawong	Mr. Kiet Srichomkwan	Mr. Lap Shun Nelson Leung	Mrs. Oranuch Rujirawona	Mrs. Chitkasem Moo-Ming	Ms. Voraluck Worachuttharn	M.L. Kriengkrai Hastindra	Ms. Daranee Phanklin	Mrs. Pitchapaksorn Jit-Opas
Related Companies																
29. Keystone Estate Co., Ltd.			G													
30. Keystone Management Co., Ltd.			G													
31. Natural Park Ville Co., Ltd.			G		G											
32. Natural Real Estate Co., Ltd.			G		G											
33. Richee Property Management Co., Ltd.			G		G											
34. Park Opera Co., Ltd.			G		G											
35. Park Gourmet Co., Ltd.			G		G											
36. Vienna House (Thailand) Co., Ltd.			G													
37. RB Services Co., Ltd.	G		G	G						G						
38. Rabbit Rewards Co., Ltd.	G		G	G						G						
39. Bangkok Payment Solutions Co., Ltd.				G	G					G						
40. Man Food Holdings Co., Ltd.			G													
41. Man Kitchen Co., Ltd.			G													
42. Little Corner Co., Ltd.			G													
43. KMJ 2016 Co., Ltd.			G													
44. Turtle 23 Co., Ltd.			G		G											
45. U Global Hospitality Co., Ltd.			G		G											
46. EGS Assets Co., Ltd.			G		G											
47. Majestic Park Co., Ltd.				G	G											
48. Future Domain Co., Ltd.				G	G											
49. U Global Hospitality Holding (Hong Kong) Ltd.					G											
50. U Hospitality Holding (Hong Kong) Ltd.					G											
51. U-Tapao International Aviation Co., Ltd.	G			G	G											

**A** = Chairman

**D** = Chairman Executive Officer

**G** = Director

**J** = Independent Director

**B** = Vice Chairman

**E** = Deputy Chief Executive Officer

**H** = Chairman of the Audit Committee

**K** = Executive

**C** = Chairman of the Executive Committee

**F** = Member of the Executive Committee

**I** = Member of the Audit Committee





# 6

## FINANCIAL REPORT

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## 6.1 DIRECTOR'S RESPONSIBILITY REPORT

The Board of Directors of VGI Public Company Limited is responsible for the financial statements of the Company and its subsidiaries provided in this Annual Report, which have been prepared in accordance with generally accepted accounting standards (GAAP) in Thailand under the Accounting Profession Act B.E. 2547, and the presented in compliance with stipulations under Notification of Department of Business Development dated 28 September 2011 by virtue of Accounting Act B.E. 2543. In this regard, the Board is aware of the accounting policies and believes that these are appropriate and have been consistently applied. The notes to the financial statements disclose details of useful and material financial information supported by reasonable and prudent judgments and estimations where necessary. The Company's external auditor has audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board of Directors further recognises the importance of presenting a comprehensive view of the Company's financial position and has reviewed and included in this annual report, the Management's discussion and analysis report on the Company's business performance for the benefit of shareholders and other stakeholders.

The Board is also responsible for overseeing that an effective system of corporate governance, including risk management, internal controls and compliance is put in place in order to have reasonable assurance that the financial records of the Company are accurate and complete. The Board evaluates the adequacy of the internal controls system on an annual basis.

The Board of Directors has also appointed the Audit Committee, entirely comprised of Independent Directors, to oversee the accuracy and adequacy of the financial reporting process as well as review the suitability and efficiency of the internal control and independence of the internal audit system. The opinion of the Audit Committee is shown in the Audit Committee Report contained in this Annual Report.

In the opinion of the Board, the audited financial statements and the notes to the financial statements show essential and accurately the financial status, performance and cash flow of the Company during the reporting period in accordance with GAAP, and that the management discussion and analysis offer a fair and relevant view of the business performance of the Company. Further, that the Company has established and maintains a system of corporate governance and internal controls that give reasonable assurance on the integrity of the financial reporting procedures.



**Marut Arthakaivalvatee**

Vice Chairman of the Board of Directors



**Kavin Kanjanapas**

Chairman of Executive Committee

### To the Shareholders of VGI Public Company Limited

(Formerly known as "VGI Global Media Public Company Limited")

#### Opinion

I have audited the accompanying consolidated financial statements of VGI Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of VGI Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VGI Public Company Limited and its subsidiaries and of VGI Public Company Limited as at 31 March 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of Matters

I draw attention to the following matters.

- a) Note 1.2 to the financial statements, the COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending, limited or suspended production, operational delays, and more.

This situation significantly affects the Group's business activities, and this may be significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. However, the impact cannot be reasonably estimated at this stage.

The Group's management has continuously monitored the ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

- b) Note 3 to the financial statements regarding the adoptions of financial reporting standard and accounting guidance, as follows:
- 1) The change in accounting policies due to the adoption of new financial reporting standard, with the Company restating the prior year's financial statements, presented herein as comparative information
  - 2) Due to the impact of the COVID-19 outbreak, in preparing the consolidated and separate financial statements for the year ended 31 March 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of COVID-19 Pandemic issued by the Federation of Accounting Professions.
- c) Note 11.1 and 11.2 to the financial statements regarding measuring the fair value at the acquisition date of the identifiable assets acquired, liabilities assumed and goodwill and changes in status of investment in Master Ad Public Company Limited ("MACO") from a subsidiary to an associate company and recognition of gain on change in status of investment. The Company is in the process of measuring the fair value of the identifiable assets acquired and liabilities assumed of MACO.

- d) Note 33.5 to the financial statements regarding litigation between the Company and Midas Global Media Company Limited.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the 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 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 financial statements as a whole.

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

#### ***Loss of control over subsidiary***

As described in Note 11.2 to the financial statements, following the issuance of additional ordinary shares of Master Ad Public Company Limited ("MACO") the Company's shareholding in MACO decreased from 33.17% to 26.55% of all issued and paid-up shares. The Company deemed this to be a loss of control over MACO and recognised a gain on the change in the status of the investment from subsidiary to associate amounting to Baht 550 million, since the change in shareholding structure impacts the Company's ability to direct the activities that significantly affect the amount of the variable returns it is entitled to receive from MACO. Management is required to exercise a high degree of judgement in determining the issue of control, which has a significant impact on the preparation of the consolidated financial statements.

I inquired with management as to the nature and objectives of the issue of additional ordinary shares by MACO and considered the related agreements. I also considered the Company's shareholding in MACO both before and after the issue of additional ordinary shares, in order to assess whether the Company had lost control over MACO, taking into account the conditions and facts related to authority and ability to exercise authority to direct the activities that significantly affect the amount of the returns. In addition, I audited the derecognition of balances relating to MACO as at the loss of control date, recognition of investment in MACO at fair value as an associate, and the gain on the change in status of investment.

#### ***Investments and goodwill***

As at 31 March 2020, the Group had goodwill with a carrying amount of Baht 236 million and investments in subsidiaries, joint ventures and associates with a carrying amount of Baht 9,282 million (The Company only: Baht 9,717 million) as discussed in Notes 11, 12, 13 and 17 to the financial statements. The determination of impairment of investments in subsidiaries and goodwill are significant accounting estimates requiring management to exercise a high degree of judgment in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

I and the auditor of the subsidiaries have audited this matter. I performed audit procedures and gained an understanding of and assessed that auditor's work in considering the identification of cash generating units and the financial models selected by management, by gaining an understanding of management's decision-making process, as well as testing the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets in the future, by comparing those assumptions to information from both internal and external sources of the entity and comparing past cash flow projections to actual operating results in order to evaluate the cash flow projections. I also evaluated the discount rate applied by the management through analysis of the weighted average cost of capital of the entity, and tested the calculation of the realisable values of the assets using the selected financial model.

### ***Revenue recognition under the advertising business***

The Group has entered into agreements with a large number of customers, and used sales promotions, discounts and special discounts to boost sales. As a result, the Group's recognition of revenues is subject to a variety of conditions under these agreements. The amount and timing of revenue recognition also directly and significantly affects the Group's profit or loss, and service income is a significant item in the financial statements.

I reviewed the revenue recognition of the Group by gaining an understanding of the Group's internal controls with respect to the revenue cycle and selecting representative samples to test the operation of the designed controls, applying a sampling method to select service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Group's policy. I also examined supporting documents on a sampling basis, for actual sales and service transactions occurring during the year and near the end of the accounting period, and reviewed credit notes that the Group issued after the period-end date. In addition, I performed analytical procedures on the revenue accounts to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers.

### ***Revenue recognition from system installation services***

The Group's policies on recognition of revenue from system installation services and related matters and changes in accounting policy for the revenue recognition are disclosed in Note 3 and 5.1 to the financial statements. I identified the recognition of revenue from system installation services to be an area of significant risk to the audit. This is because the amounts of revenue from system installation services that the Group recognises in each period form a significant portion of the Group's total revenue. In addition, the process of measurement and the determination of appropriate timing of recognition are areas requiring management to exercise significant judgement in assessing the percentage of completion of system installation work. There are therefore risks with respect to the amount and timing of the recognition of revenue from system installation services.

I and the auditor of the subsidiaries have audited this matter. I performed audit procedures, and gained an understanding of and assessed that auditor's work to obtain sufficient and appropriate audit evidence for the examination of the recognition of revenue from system installation services including the changes in accounting policy for this revenue recognition. I examined the revenue recognition and estimation of possible loss relating to contracts by accessing and testing the internal controls relating to the method that the management used in estimation of the percentage of completion, recognition of revenue and cost of installations and estimation of possible loss by making enquires of responsible executives, gaining an understanding of the controls and selecting contracts that the Group made with customers to test the operation of the designed controls. I also read the contracts to consider the conditions relating to revenue recognition and inquired of the management about the terms and risks associated with these contracts. In addition, I selected contracts to review the assessment of the percentage of completion and the probability of loss by making inquiry of the management and project managers with respect to the status of projects and had site visit of the significant projects under installation together with the Group's project managers. I compared the percentage of completion evaluated by the project managers with cost-to-cost method. I also performed analytical review of the gross margin of the projects to detect possible irregularities.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in 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 financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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



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

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements**

My objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



**Siraporn Ouannunkun**

Certified Public Accountant (Thailand)  
No. 3844

EY Office Limited  
Bangkok: 29 May 2020

## 6.3 AUDITED FINANCIAL STATEMENTS

### VGI Public Company Limited

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

### Statement of financial position

As at 31 March 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019 (Restated)	2020	2019
Assets					
Current assets					
Cash and cash equivalents		684,839,432	1,505,955,764	391,276,140	480,375,954
Current investments	8	45,371,741	1,009,994,958	-	857,030,903
Bank account for advances received from cardholders	9	556,053,912	501,573,981	-	-
Trade and other receivables	10	1,060,607,415	1,528,212,212	720,643,622	789,750,791
Short-term loans to related parties	7	133,360,500	218,394,199	220,360,500	70,000,000
Current portion of long-term to related parties	7	7,825,500	5,869,125	7,825,500	5,869,125
Prepaid expenses		37,174,098	108,517,668	9,152,131	13,497,694
Other current assets		81,320,157	254,813,395	8,787,785	9,981,409
Total current assets		2,606,552,755	5,133,331,302	1,358,045,678	2,226,505,876
Non-current assets					
Restricted bank deposits		3,947,480	61,080,323	-	-
Long-term loans to related parties - net of current portion	7	122,549,609	130,375,109	38,475,375	46,300,875
Investments in subsidiaries	11	-	-	1,352,795,187	3,127,921,935
Investments in joint ventures	12	421,896,504	523,224,820	38,988,476	7,410,976
Investments in associates	13	8,860,423,186	6,732,258,978	8,324,748,258	6,482,532,086
Other long-term investments	14	2,568,817,198	4,748,268,166	2,568,817,198	4,739,183,567
Advance payment for purchases of assets		25,296,795	3,450,998	25,296,795	11,418,212
Property, plant and equipment	15	1,141,511,844	1,982,008,554	1,043,319,016	1,045,400,239
Intangible assets	16	432,302,536	1,224,980,350	50,824,896	62,916,567
Goodwill	17	236,287,202	1,942,951,593	-	-
Deferred tax assets	28	560,425,617	37,872,123	549,760,533	23,074,986
Other non-current assets		96,935,069	253,364,190	21,362,665	47,676,028
Total non-current assets		14,470,393,040	17,639,835,204	14,014,388,399	15,593,835,471
Total assets		17,076,945,795	22,773,166,506	15,372,434,077	17,820,341,347

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Statement of financial position (continued)**

As at 31 March 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	19	450,000,000	1,738,950,000	450,000,000	1,700,000,000
Trade and other payables	18	464,320,772	497,947,062	130,634,957	133,039,454
Accrued expenses		561,111,416	883,254,651	490,957,099	416,903,892
Advances received from cardholders	9	515,239,886	488,540,123	-	-
Current portion of long-term loans					
from financial institutions	20	239,000,000	50,000,000	200,000,000	-
Income tax payable		71,799,667	169,643,749	70,773,460	129,109,658
Advances received from employers					
and unearned revenues		51,964,825	257,578,570	44,928,221	46,972,669
Deposits from cardholders		86,738,600	115,492,470	-	-
Deposits received from rental spaces		88,367,457	88,964,175	88,367,457	89,089,675
Other current liabilities		131,180,819	144,803,308	69,042,598	57,173,502
Total current liabilities		2,659,723,442	4,435,174,108	1,544,703,792	2,572,288,850
Non-current liabilities					
Long-term loans from financial institutions					
- net of current portion	20	1,200,000,000	1,439,000,000	1,200,000,000	1,400,000,000
Provision for long-term employee benefits	21	122,347,458	97,337,756	74,442,148	40,695,059
Deferred tax liabilities	28	4,425,298	165,602,337	4,425,298	2,748,149
Other non-current liabilities		12,790,649	29,332,810	4,385,652	4,890,972
Total non-current liabilities		1,339,563,405	1,731,272,903	1,283,253,098	1,448,334,180
Total liabilities		3,999,286,847	6,166,447,011	2,827,956,890	4,020,623,030

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Statement of financial position (continued)**

As at 31 March 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019
<b>Shareholders' equity</b>					
Share capital	22				
Registered					
10,797,520,743 ordinary shares					
(2019: 11,210,436,777 ordinary shares)					
of Baht 0.1 each		1,079,752,074	1,121,046,378	1,079,752,074	1,121,046,378
Issued and fully paid-up					
8,611,165,707 ordinary shares					
(2019: 8,556,680,098 ordinary shares)					
of Baht 0.1 each		861,116,570	855,668,009	861,116,570	855,668,009
Share premium	22	12,730,144,769	12,193,069,747	12,730,144,769	12,193,069,747
Retained earnings					
Appropriated - statutory reserve		112,104,638	112,104,638	112,104,638	112,104,638
Unappropriated	24	1,927,099,280	1,469,309,474	1,530,752,076	1,336,703,524
Differences on business combination					
under common control	25	(663,671,949)	(663,671,949)	(663,671,949)	(663,671,949)
Deficit from changes in the ownership interests					
in subsidiaries	25	(159,003,127)	(223,825,464)	-	-
Other components of shareholders' equity		(2,023,895,015)	(48,438,470)	(2,025,968,917)	(34,155,652)
Equity attributable to owners of the Company		12,783,895,166	13,694,215,985	12,544,477,187	13,799,718,317
Non-controlling interests of the subsidiaries		293,763,782	2,912,503,510	-	-
<b>Total shareholders' equity</b>		<b>13,077,658,948</b>	<b>16,606,719,495</b>	<b>12,544,477,187</b>	<b>13,799,718,317</b>
<b>Total liabilities and shareholders' equity</b>		<b>17,076,945,795</b>	<b>22,773,166,506</b>	<b>15,372,434,077</b>	<b>17,820,341,347</b>

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Statement of comprehensive income**

For the year ended 31 March 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019
<b>Profit or loss:</b>					
<b>Continued operation</b>					
<b>Revenues</b>					
Service income	26	3,428,283,992	3,040,142,855	2,600,000,705	2,338,952,059
Revenues from system installation services	26	104,473,320	71,799,646	-	-
Sales	26	48,640,528	35,341,588	-	-
Rental income		418,477,995	463,420,584	418,477,995	463,680,584
Other income					
Dividend income		146,151,683	-	563,557,149	92,315,478
Gain on sales of investment	14	47,997,793	-	47,997,793	164,044,500
Others		103,732,377	103,786,463	26,163,258	80,915,044
<b>Total revenues</b>		<b>4,297,757,688</b>	<b>3,714,491,136</b>	<b>3,656,196,900</b>	<b>3,139,907,665</b>
<b>Expenses</b>					
Cost of services		1,843,857,948	1,397,474,024	1,396,956,160	1,028,831,688
Cost of system installation services		86,010,580	49,229,550	-	-
Cost of sales		17,845,285	14,113,453	-	-
Servicing and selling expenses		365,889,366	372,386,604	225,066,206	231,830,740
Administrative expenses		938,310,846	557,981,696	711,847,255	354,929,548
<b>Total expenses</b>		<b>3,251,914,025</b>	<b>2,391,185,327</b>	<b>2,333,869,621</b>	<b>1,615,591,976</b>
<b>Profit before share of profit from investments in joint ventures and associates, finance cost and income tax expenses</b>		<b>1,045,843,663</b>	<b>1,323,305,809</b>	<b>1,322,327,279</b>	<b>1,524,315,689</b>
Share of profit from investments in joint ventures and associates	12, 13	131,021,170	37,121,131	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>1,176,864,833</b>	<b>1,360,426,940</b>	<b>1,322,327,279</b>	<b>1,524,315,689</b>
Finance cost		(73,956,589)	(56,353,864)	(69,923,049)	(50,838,140)
<b>Profit before income tax expenses</b>		<b>1,102,908,244</b>	<b>1,304,073,076</b>	<b>1,252,404,230</b>	<b>1,473,477,549</b>
Income tax expenses	28	(214,132,931)	(259,629,689)	(197,588,606)	(275,175,467)
<b>Profit from continued operation for the year</b>		<b>888,775,313</b>	<b>1,044,443,387</b>	<b>1,054,815,624</b>	<b>1,198,302,082</b>
<b>Discontinued operation</b>	11.2				
Gain on change in status of investment		550,322,818	-	-	-
Profit (loss)		(135,333,455)	162,035,343	-	-
<b>Profit from discontinued operation for the year</b>		<b>414,989,363</b>	<b>162,035,343</b>	<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>1,303,764,676</b>	<b>1,206,478,730</b>	<b>1,054,815,624</b>	<b>1,198,302,082</b>

The accompanying notes are an integral part of the financial statements.



**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”) and its subsidiaries

**Statement of comprehensive income (continued)**

For the year ended 31 March 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	5,891,854	(33,207,306)	-	-
Exchange differences on translation of financial statements in foreign currencies of associate	2,073,902	-	-	-
Loss on changes in value of available-for-sale investments - net of income tax	(1,991,813,265)	(34,155,652)	(1,991,813,265)	(34,155,652)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(1,983,847,509)	(67,362,958)	(1,991,813,265)	(34,155,652)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Actuarial loss - net of income tax	(22,083,797)	-	(10,967,192)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(22,083,797)	-	(10,967,192)	-
<b>Other comprehensive income for the year</b>	<b>(2,005,931,306)</b>	<b>(67,362,958)</b>	<b>(2,002,780,457)</b>	<b>(34,155,652)</b>
<b>Total comprehensive income for the year</b>	<b>(702,166,630)</b>	<b>1,139,115,772</b>	<b>(947,964,833)</b>	<b>1,164,146,430</b>
<b>Profit (loss) attributable to:</b>				
Equity holders of the Company				
Profit from continued operation	926,045,855	1,103,652,451	1,054,815,624	1,198,302,082
Profit (loss) from discontinued operation				
Gain on change in status of investment	550,322,818	-	-	-
Loss	(52,428,576)	(2,409,330)	-	-
	<b>1,423,940,097</b>	<b>1,101,243,121</b>	<b>1,054,815,624</b>	<b>1,198,302,082</b>
Non-controlling interests of the subsidiaries				
Loss from continued operation	(37,270,542)	(59,209,064)		
Profit (loss) from discontinued operation	(82,904,879)	164,444,673		
	<b>(120,175,421)</b>	<b>105,235,609</b>		
	<b>1,303,764,676</b>	<b>1,206,478,730</b>		

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Statement of comprehensive income (continued)**

For the year ended 31 March 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company					
Profit (loss) from continued operation		(1,080,090,465)	1,069,496,799	(947,964,833)	1,164,146,430
Profit (loss) from discontinued operation					
Gain on change in status of investment		550,322,818	-	-	-
Loss		(39,634,703)	(12,919,153)	-	-
		(569,402,350)	1,056,577,646	(947,964,833)	1,164,146,430
Non-controlling interests of the subsidiaries					
Loss from continued operation		(37,869,636)	(59,209,064)		
Profit (loss) from discontinued operation		(94,894,644)	141,747,190		
		(132,764,280)	82,538,126		
		(702,166,630)	1,139,115,772		
<b>Earnings per share</b>	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.1658	0.1342	0.1229	0.1461
Diluted earnings per share					
Profit attributable to equity holders of the Company			0.1335		0.1453
<b>Earnings per share from continued operation</b>					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.1079	0.1345	0.1229	0.1461
Diluted earnings per share					
Profit attributable to equity holders of the Company			0.1338		0.1453

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Cash flow statement**

For the year ended 31 March 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Cash flows from operating activities</b>				
Profit before tax from continued operation	1,102,908,244	1,304,073,076	1,252,404,230	1,473,477,549
Profit before tax from discontinued operation	447,675,830	254,296,753	-	-
Profit before tax	1,550,584,074	1,558,369,829	1,252,404,230	1,473,477,549
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	411,048,823	365,298,476	226,387,820	206,964,033
Amortisation	208,215,140	120,393,518	16,090,791	11,614,249
Allowance for doubtful accounts	210,823,141	1,855,611	177,622,671	-
Allowance for impairment of equipment	62,227,563	-	9,730,564	-
Allowance for impairment of investment in associates	115,798,623	-	180,386,289	-
Loss (gain) on disposals of assets	82,468,758	5,597,176	2,868,189	3,690,634
Provision for long-term employee benefits	55,827,954	17,456,193	22,915,074	6,922,639
Dividend income	(146,151,683)	-	(563,557,149)	(92,315,478)
Gain on sales of investment in a subsidiary	-	-	-	(164,044,500)
Gain on sales of investment in other long-term investment	(47,997,793)	-	(47,997,793)	-
Gain on change in status of investment	(550,322,818)	-	-	-
Share of loss (profit) from investments in joint ventures and associates	(43,905,789)	20,697,649	-	-
Interest income	(43,256,281)	(101,337,914)	(18,397,578)	(71,227,281)
Interest expenses	85,215,487	66,011,511	68,794,041	50,431,398
Profit from operating activities before changes in operating assets and liabilities	1,950,575,199	2,054,342,049	1,327,247,149	1,425,513,243
Operating assets (increase) decrease				
Bank account for advances received from cardholders	(54,479,931)	(59,024,758)	-	-
Trade and other receivables	(514,190,680)	(218,922,958)	(88,607,091)	(118,676,180)
Other current assets	(96,729,368)	(64,620,872)	6,575,112	9,879,076
Other non-current assets	(22,052,232)	41,811,810	26,313,364	36,686,177
Operating liabilities increase (decrease)				
Trade and other payables	(43,439,710)	(102,676,771)	26,580,765	(49,961,936)
Accrued expenses	301,138,044	269,623,082	74,053,207	(47,216,113)
Advances received from cardholders	26,699,763	58,293,319	-	-
Advances received from employers and unearned revenues	(18,290,829)	151,059,952	(2,549,767)	1,510,585
Deposits from cardholders	(28,753,870)	(1,273,650)	-	-
Deposits received from rental spaces	(722,218)	7,378,914	(722,218)	7,378,914
Other current liabilities	(26,059,327)	9,341,793	11,869,093	1,959,366
Provision for long-term employee benefits	(5,069,046)	(10,744,962)	(2,876,975)	(9,518,882)
Other non-current liabilities	8,739,264	19,239,104	-	-

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Cash flow statement (continued)**

For the year ended 31 March 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
Cash flows from operating activities	1,477,365,059	2,153,826,052	1,377,882,639	1,257,554,250
Cash paid for interest expenses	(88,791,369)	(65,312,948)	(69,102,164)	(50,116,808)
Cash paid for corporate income tax	(397,393,307)	(321,911,313)	(280,238,088)	(196,915,468)
Corporate income tax refund received	6,114,321	8,614,894	-	-
<b>Net cash flows from operating activities</b>	<b>997,294,704</b>	<b>1,775,216,685</b>	<b>1,028,542,387</b>	<b>1,010,521,974</b>
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	18,456,537	(54,722,572)	-	-
Purchase of current investments	(20,947,810)	(12,750,609,363)	-	(12,740,447,722)
Proceeds from sales of current investments	963,540,124	12,886,731,155	855,000,000	12,881,585,234
Increase in short-term loans to related parties	(61,882,432)	(202,793,499)	(171,360,500)	(70,000,000)
Increase in long-term loans to related parties	-	(65,169,662)	-	(52,170,000)
Decrease in long-term loans to related parties	5,869,125	3,345,675	5,869,125	-
Net cash paid for purchases of investments in subsidiaries	(27,777,636)	(429,789,651)	(18,048,000)	(723,698,651)
Cash received from sales of investments in subsidiaries	-	-	9,716,990	360,000,000
Cash paid for purchases of investments in joint ventures	(31,577,500)	(5,122,500)	(31,577,500)	(5,122,500)
Cash paid for purchases of investments in associates	(196,683,384)	(5,059,800,471)	(196,683,384)	(5,015,519,421)
Cash paid for purchases of other long-term investments	(489,654,865)	(4,790,968,788)	(489,654,865)	(4,781,878,132)
Cash of subsidiaries with loss of control	(702,241,441)	-	-	-
Cash received from sale of other long-term investments	252,365,499	-	252,365,499	-
Advances paid for purchases of assets	(35,264,009)	(3,246,498)	(25,296,795)	(11,213,712)
Acquisition of equipment	(386,479,703)	(527,899,548)	(211,691,945)	(198,234,492)
Acquisition of intangible assets	(69,235,448)	(110,883,193)	(3,999,120)	(20,576,491)
Cash paid to settle payables from purchases of assets	(29,842,722)	(12,748,945)	(77,673,444)	(16,143,307)
Dividend income	478,860,659	30,054,278	563,557,149	92,315,478
Interest income	50,961,202	94,129,422	21,520,081	69,198,791
Proceeds from sales of equipment	6,295,253	9,556,278	114,388	21,963
<b>Net cash flows used in investing activities</b>	<b>(275,238,551)</b>	<b>(10,989,937,882)</b>	<b>482,157,679</b>	<b>(10,231,882,962)</b>

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”)  
and its subsidiaries

**Cash flow statement (continued)**

For the year ended 31 March 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Cash flows from (used in) financing activities</b>				
Increase in short-term loans from financial institutions	5,429,349,106	2,726,950,000	4,640,000,000	1,700,000,000
Decrease in short-term loans from financial institutions	(6,383,110,000)	(1,228,000,000)	(5,890,000,000)	-
Cash received from sales of investments in a subsidiary	9,716,990	-	-	-
Cash paid to settle payables from purchase of investment in subsidiary	(38,000,000)	-	-	-
Cash paid for purchases of investments in subsidiaries	(160,000,000)	(259,468,552)	-	-
Repayment of long-term loans from financial institutions	(58,150,000)	(44,000,000)	-	-
Proceeds from increase in long-term loan from financial institution	121,535,000	-	-	-
Proceeds from increase in share capital of a subsidiary	-	1,077,152,942	-	-
Proceeds from exercises of warrants	500,000,000	8,615,380,697	500,000,000	8,615,380,697
Dividend paid	(849,799,880)	(786,735,543)	(849,799,880)	(786,735,543)
Dividend paid by a subsidiary to non-controlling interests of the subsidiary	(107,577,975)	(100,066,766)	-	-
Dividend paid by a subsidiary to shareholders of the subsidiary before business combination	-	(30,000,000)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(1,536,036,759)</b>	<b>9,971,212,778</b>	<b>(1,599,799,880)</b>	<b>9,528,645,154</b>
<b>Translation adjustments</b>	<b>(7,135,726)</b>	<b>(7,857,433)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(821,116,332)</b>	<b>748,634,148</b>	<b>(89,099,814)</b>	<b>307,284,166</b>
Cash and cash equivalents at beginning of year	1,505,955,764	757,321,616	480,375,954	173,091,788
<b>Cash and cash equivalents at end of year</b>	<b>684,839,432</b>	<b>1,505,955,764</b>	<b>391,276,140</b>	<b>480,375,954</b>
<b>Supplemental disclosures of cash flow information</b>				
Non-cash transactions				
Payable of acquisition of equipment	63,036,426	16,260,801	13,909,581	72,122,908
Payable of acquisition of intangible assets	31,022,461	11,370,426	-	511,528
Payable of acquisition of investments in subsidiaries	-	40,000,000	-	-
Payable of purchases of other long-term investments	34,113,054	-	34,113,054	-
Issue of additional ordinary shares for purchases of investments in associates	42,523,573	869,286,454	42,523,573	869,286,454
Transfer advance payment for purchases of assets to property, plant and equipment	11,418,212	89,439,100	11,418,212	89,439,100

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as "VGI Global Media Public Company Limited") and its subsidiaries

**Statement of changes in shareholders' equity**

For the year ended 31 March 2020

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
	Other components of shareholders' equity												
	Other comprehensive income												
	Issued and paid-up share capital	Share premium	Equity from exercise of warrants	Retained earnings		Differences on business combination under common control	Surplus (deficit) from changes in the ownership interests in a subsidiary	Exchange differences on translation of financial statements in foreign currency	Deficit on changes in value of available-for-sale investments	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated	Unappropriated								
Balance as at 1 April 2018	720,433,290	2,843,637,316	65,327,682	89,199,052	1,177,707,482	(663,671,949)	194,879,401	(1,715,870)	-	(1,715,870)	4,425,796,404	1,500,009,465	5,925,805,869
Profit for the year	-	-	-	-	1,101,243,121	-	-	-	-	-	1,101,243,121	105,235,609	1,206,478,730
Other comprehensive income for the year	-	-	-	-	-	-	-	(10,509,823)	(34,155,652)	(44,665,475)	(44,665,475)	(22,697,483)	(67,362,958)
Total comprehensive income for the year	-	-	-	-	1,101,243,121	-	-	(10,509,823)	(34,155,652)	(44,665,475)	1,056,577,646	82,538,126	1,139,115,772
Increased share capital	135,234,719	9,349,432,431	(65,327,682)	-	-	-	-	-	-	-	9,419,339,468	-	9,419,339,468
Retained earnings transferred to statutory reserve	-	-	-	22,905,586	(22,905,586)	-	-	-	-	-	-	-	-
Dividend paid (Note 32)	-	-	-	-	(786,735,543)	-	-	-	-	-	(786,735,543)	-	(786,735,543)
Dividend paid by a subsidiary to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	-	-	-	(100,066,766)	(100,066,766)
Acquisition and sale of investment in a subsidiaries and issuance of additional ordinary shares of a subsidiary	-	-	-	-	-	-	(241,318,126)	-	-	-	(241,318,126)	1,195,128,685	953,810,559
Acquisitions of investments in subsidiaries of the other subsidiaries	-	-	-	-	-	-	(177,386,739)	-	-	-	(177,386,739)	(25,087,138)	(202,473,877)
Increase in non-controlling interests of the subsidiary from acquisitions of investments in subsidiaries - restated	-	-	-	-	-	-	-	(2,057,125)	-	(2,057,125)	(2,057,125)	246,956,277	244,899,152
Increase in non-controlling interests of the subsidiaries from adjustment to liability under the loan agreement of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	855,668,009	12,193,069,747	-	112,104,638	1,469,309,474	(663,671,949)	(223,825,464)	(14,282,818)	(34,155,652)	(48,438,470)	13,694,215,985	2,912,503,510	16,606,719,495

The accompanying notes are an integral part of the financial statements.



**VGI Public Company Limited**

(Formerly known as “VGI Global Media Public Company Limited”) and its subsidiaries

**Statement of changes in shareholders' equity (continued)**

For the year ended 31 March 2020

(Unit: Baht)

**Consolidated financial statements (continued)****Equity attributable to owners of the Company**

	Other components of shareholders' equity									
	Other comprehensive income									
	Issued and paid-up share capital	Share premium	Retained earnings	Differences on business combination under common control	Deficit from changes in the ownership interests in a subsidiary	Exchange differences on translation of financial statements in foreign currency	Deficit on changes in value of available-for-sale investments	Share of other comprehensive income from associates	Total other components of shareholders' equity	Total equity attributable to owners of the Company
<b>Balance as at 31 March 2019 - as previously reported</b>	855,668,009	12,193,069,747	112,104,638	1,469,309,474	(663,671,949)	(223,825,464)	(34,155,652)	-	(46,381,345)	13,696,273,110
Adjustment of the fair value of the identifiable assets acquired and liabilities assumed as a result of the acquisition of a subsidiary (Note 11.1)	-	-	-	-	-	(2,057,125)	-	-	(2,057,125)	2,751,154,730
<b>Balance as at 31 March 2019 - as restated</b>	855,668,009	12,193,069,747	112,104,638	1,469,309,474	(663,671,949)	(14,282,818)	(34,155,652)	-	(48,438,470)	13,694,215,985
Profit for the year	-	-	-	1,423,940,097	-	-	-	-	-	2,912,503,510
Other comprehensive income for the year	-	-	-	(17,885,902)	-	14,282,818	(1,991,813,265)	2,073,902	(1,975,456,545)	(120,175,421)
Total comprehensive income for the year	-	-	-	1,406,054,195	-	14,282,818	(1,991,813,265)	2,073,902	(1,975,456,545)	(12,588,859)
Increased share capital (Note 22)	5,448,561	537,075,022	-	-	-	-	-	-	-	(12,588,859)
Dividend paid (Note 32)	-	-	-	(849,799,879)	-	-	-	-	-	(2,005,931,306)
Dividend paid by a subsidiary to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	-	(132,764,280)
Disposal of investment in subsidiary without loss of control	-	-	-	-	-	-	-	-	-	(569,402,350)
Acquisitions of investments in subsidiaries (Note 11.1.2)	-	-	-	-	-	-	-	-	-	(132,764,280)
Increase in non-controlling interests of the subsidiary from acquisitions of investments in subsidiaries of another subsidiary (Note 11.1.5)	-	-	-	-	-	-	-	-	-	(542,523,583)
Loss of control of investment in the subsidiary (Note 11.2)	-	-	-	-	-	-	-	-	-	(849,799,879)
<b>Balance as at 31 March 2020</b>	861,116,570	12,730,144,769	112,104,638	1,927,099,280	(663,671,949)	(159,003,127)	(2,025,968,917)	2,073,902	(2,023,895,015)	12,783,895,166
										293,763,782
										13,077,658,948

The accompanying notes are an integral part of the financial statements.

**VGI Public Company Limited**

(Formerly known as "VGI Global Media Public Company Limited") and its subsidiaries

**Statement of changes in shareholders' equity (continued)**

For the year ended 31 March 2020

(Unit: Baht)

	Separate financial statements							Other components of shareholders' equity	
	Issued and paid-up share capital	Share premium	Equity from exercise of warrants	Retained earnings		Differences on business combination under common control	Deficit on changes in value of available-for-sale investments	Other comprehensive income	
				Appropriated	Unappropriated				Total shareholders' equity
<b>Balance as at 1 April 2018</b>	720,433,290	2,843,637,316	65,327,682	89,199,052	948,042,571	(663,671,949)	-	-	4,002,967,962
Profit for the year	-	-	-	-	1,198,302,082	-	-	-	1,198,302,082
Other comprehensive income for the year	-	-	-	-	-	-	(34,155,652)	(34,155,652)	(34,155,652)
Total comprehensive income for the year	-	-	-	-	1,198,302,082	-	(34,155,652)	(34,155,652)	1,164,146,430
Increased share capital	135,234,719	9,349,432,431	(65,327,682)	-	-	-	-	-	9,419,339,468
Retained earnings transferred to statutory reserve	-	-	-	22,905,586	(22,905,586)	-	-	-	-
Dividend paid (Note 32)	-	-	-	-	(786,735,543)	-	-	-	(786,735,543)
<b>Balance as at 31 March 2019</b>	855,668,009	12,193,069,747	-	112,104,638	1,336,703,524	(663,671,949)	(34,155,652)	(34,155,652)	13,799,718,317
<b>Balance as at 1 April 2019</b>	855,668,009	12,193,069,747	-	112,104,638	1,336,703,524	(663,671,949)	(34,155,652)	(34,155,652)	13,799,718,317
Profit for the year	-	-	-	-	1,054,815,624	-	-	-	1,054,815,624
Other comprehensive income for the year	-	-	-	-	(10,967,192)	-	(1,991,813,265)	(1,991,813,265)	(2,002,780,457)
Total comprehensive income for the year	-	-	-	-	1,043,848,432	-	(1,991,813,265)	(1,991,813,265)	(947,964,833)
Increased share capital (Note 22)	5,448,561	537,075,022	-	-	-	-	-	-	542,523,583
Dividend paid (Note 32)	-	-	-	-	(849,799,880)	-	-	-	(849,799,880)
<b>Balance as at 31 March 2020</b>	861,116,570	12,730,144,769	-	112,104,638	1,530,752,076	(663,671,949)	(2,025,968,917)	(2,025,968,917)	12,544,477,187

The accompanying notes are an integral part of the financial statements.

## 6.4 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### VGI Public Company Limited

(Formerly known as “VGI Global Media Public Company Limited”) and its subsidiaries

### Notes to consolidated financial statements

For the year ended 31 March 2020

#### 1. GENERAL INFORMATION

##### 1.1 Corporate information

VGI Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Bangkok Mass Transit System Public Company Limited (“BTSC”), which is incorporated in Thailand. The parent company of the Group is BTS Group Holdings Public Company Limited (“BTSG”). The Company is principally engaged in the arrangement and provision of advertising services in BTS stations, inside BTS trains, on BTS train bodies, and in office buildings, and the rental of retail space at BTS stations. The registered office of the Company is at 21, 9th Floor, TST Tower, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok.

On 26 July 2019, the Company changed its name to VGI Public Company Limited, formerly known as VGI Global Media Public Company Limited, which was approved in an Annual General Meeting on 9 July 2019, in addition the Company’s securities abbreviation shall remain as “VGI”.

##### 1.2 The outbreak of the coronavirus (COVID-19)

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending, limited or suspended production, operational delays, and more.

This situation significantly affects the Group’s business activities and this may be significantly impacting the Group’s financial position, operating results, and cash flows at present, and is expected to do so in the future. However, the impact cannot be reasonably estimated at this stage. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

#### 2. BASIS OF PREPARATION

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

##### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of VGI Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (Percent)	2019 (Percent)
<b><u>Subsidiaries directly owned by the Company</u></b>				
VGI Advertising Media Company Limited	Management and provision of advertising services in department stores	Thailand	100.00	100.00
888 Media Company Limited	Management and provision of advertising services	Thailand	100.00	100.00
Point of View (POV) Media Group Company Limited	Management and provision of advertising services	Thailand	100.00	100.00
BSS Holdings Company Limited	Investment in securities of other companies	Thailand	90.00	90.00
Bangkok Smartcard System Company Limited	Provision of electronic payment services for mass transit system and retail stores	Thailand	90.00	90.00
Master Ad Public Company Limited	Management and provision of advertising services	Thailand	-	33.17
<b><u>Subsidiaries indirectly owned by the Company</u></b>				
<b>Held by Master Ad Public Company Limited</b>				
Master and More Company Limited	Production and provision of outdoor advertising media services	Thailand	-	100.00
Eye On Ads Company Limited	Production and sales of tri-vision equipment	Thailand	-	100.00
Green Ad Company Limited	Provision of advertising services through the supply of tree wall-panel	Thailand	-	100.00
Inkjet Images (Thailand) Company Limited	Production of advertising media and billboards	Thailand	-	50.00
Landy Development Company Limited (2019: 14.89% held by Master and More Company Limited)	Provision of office building rental service	Thailand	-	48.87
Maco Outdoor Sdn Bhd	Investment in advertising media business	Malaysia	-	100.00
VGI Global Media (Malaysia) Sdn Bhd (25% held by the Company)	Investment in advertising media business	Malaysia	-	75.00
VGI MACO (Singapore) Private Limited (25% held by the Company)	Investment in advertising media business	Singapore	-	75.00
<b>Held by Master and More Company Limited</b>				
Open Play Company Limited	Provision of outdoor advertising media services	Thailand	-	100.00
<b>Held by Green Ad Company Limited</b>				
Multi Sign Company Limited	Production and provision of outdoor advertising media services	Thailand	-	100.00

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (Percent)	2019 (Percent)
Gold Star Group Company Limited	Design, production and provision of publishing media and all types of advertising media	Thailand	-	60.00
<b>Held by Eye On Ads Company Limited</b>				
Co-Mass Company Limited	Production and provision of outdoor advertising media services	Thailand	-	70.00
Trans.Ad Solutions Company Limited	Design and system installation services	Thailand	-	81.65
<b>Held by Trans.Ad Solutions Company Limited</b>				
Roctec Technology Limited	System integration services	Hong Kong		89.00
Trans.Ad Malaysia Sdn Bhd	Provision of media rental service	Malaysia		100.00
<b>Held by Roctec Technology Limited</b>				
Parkway Technology Limited	Investment holding	Hong Kong		100.00
Winbliss Systems Limited	Distribution software and computer related products including system development, installation and maintenance	Thailand	-	100.00
<b>Held by BSS Holdings Company Limited</b>				
RabbitPay System Company Limited	Provision of electronic money, electronic payment services through any device or network and bill payment services, and investment in securities of other companies	Thailand	80.00	80.00
Rabbit Internet Company Limited	Provision of a web portal service under the name "Rabbit Daily", which includes websites and articles and rental of space on web pages (web-based application), provision of design services and arrangement of various e-commerce-related activities, including online marketing services	Thailand	60.00	60.00
<b>Held by Rabbit Internet Company Limited</b>				
Rabbit Insurance Broker Company Limited	Provision of online insurance price comparison under the name "Rabbit Finance"	Thailand	100.00	100.00
ASK Direct Group Company Limited	Provision of direct sales services for all types of products via telesales, which mostly consist of contacting prospective buyers of insurance and following up with existing customers with policies that are close to expiration	Thailand	100.00	100.00

- b) The Group is deemed to have control over an investee or subsidiaries if it has rights, or are exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statement of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

## 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

## 3. NEW FINANCIAL REPORTING STANDARDS

### a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

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

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 recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The Group adopted TFRS 15 using the full retrospective method of adoption.

The cumulative effect of the change is described in Note 4 to the financial statements.



## **Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill for impairment.

### **b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below:

#### **Financial reporting standards related to financial instruments**

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

##### **Financial reporting standards:**

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

##### **Accounting standard:**

TAS 32	Financial Instruments: Presentation
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##### **Financial Reporting Standard Interpretations:**

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

The management of the Group expects the adoption of these accounting standards to result in the following adjustments.

- Classification and measurement of investments in equity instruments of non-listed companies - The Group is to measure investments in equity instruments of non-listed companies at fair value and to classify the investments as financial assets at fair value, through either profit or loss or through other comprehensive income. If the Group elects to present subsequent changes in the fair value of the investment through other comprehensive income, the election is irrevocable.
- Recognition of credit losses - The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.
- Recognition of derivatives - The Group is to initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss. However, the Group is currently considering application of hedge accounting for certain derivatives.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

#### **TFRS 16 Leases**

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

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Group plans to adopt TFRS 16 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 April 2020, and the comparative information was not restated.

The management of the Group expects the adoption of this accounting standard to have an impact on the financial statement as at 1 April 2020 and is currently evaluating the impact.

#### **4. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD**

As described in Note 3 to the financial statements, during the current year, the Group has adopted TFRS 15 using the full retrospective method of adoption.

The amounts of the adjustments affecting the consolidated statement of comprehensive income for the year ended 31 March 2019 are summarised below:

(Unit: Thousand Baht)

	<b>Increase</b>	
	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
<b>Statement of comprehensive income</b>		
<b>Profit or loss:</b>		
Service income	50,574	247,888
Cost of services	-	197,134
Servicing and selling expenses	50,574	50,754

**The nature of these adjustments are described below:**

- Service income - The Group as principle has decided to separately record service income and cost of services. Under the former accounting policy, the Group recorded service income net of related cost of services.
- Volume rebate - The Group has decided to record volume rebates paid to the media agencies as servicing and selling expenses. Under the former accounting policy, the Group recorded volume rebates net of revenues from services.

In addition, the subsidiaries considered to change the method used to measure the stage of completion for the purpose of recognising revenue from system installation services, from basing it on comparison of actual installation costs incurred up to the end of the period and total anticipated installation costs to be incurred to completion (input method) to basing it on the assessment of stage of completion of service delivered measuring based on information provided by the project managers and certificates of works from the customers (output method) and considered to change the revenue recognition method for system installation services in cases where the projects are low value, the work has a short duration and control of the assets created has not yet been transferred to the customers, from recognition over time to recognition upon completion of the service. The Company has therefore restated the financial statements for the year ended 31 March 2019.

The amounts of the adjustments affecting the consolidated statements of financial position are summarised below:

(Unit: Thousand Baht)

	<b>Increase (decrease)</b>
	<b>31 March 2019</b>
<b>Consolidated statements of financial position</b>	
Trade and other receivables	(243,735)
Other current assets	44,848
Accrued expenses	42,441
Income tax payable	4,095
Advances received from employers and unearned revenues	(220,452)
Other current liabilities	(8,685)
Retained earnings of subsidiaries as at the acquisition date	(16,286)

The Group did not present a statement of financial position as at 1 April 2018 as comparative information because the Group acquired the ordinary shares of subsidiaries in July 2018.

## **5. SIGNIFICANT ACCOUNTING POLICIES**

### **5.1 Revenue recognition**

#### ***Rendering of services***

#### **Advertising income**

Advertising income is recognised when services have been rendered taking into account the stage of completion. Service rate charged is in accordance with service area, service rate charged per area and service period stipulated in the contract.

Commissions paid or discounts given to counterparties who are considered to be customers of the Group are recorded net of revenues from advertising services and volume rebates given to counterparties who are considered to be agents of the Group (which are not the customers of the Group) are recorded as selling expenses.

#### **Service income and other service revenues**

Digital service income and other service revenues are recognised when services have been rendered taking into account the stage of completion.

Revenue from advertising production is recognised upon completion of service in cases where control of the assets created has not yet been transferred to the customers.

Insurance brokerage income is recognised on the date the insurance policy comes into effect, net of discounts, and when services have been rendered. In cases where, it is highly uncertain that such income will be received, as a result of policy cancellation, the brokerage income is recorded as advance brokerage income, and recognised as income over the covered period of the policy.

#### **Revenues from system installation services**

Revenue from system installation services is recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Group's project managers and certificates of works from its customers (output method).

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Accrued income" under other receivables in the statement of financial position. The amounts recognised are reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Advance received from customers and unearned revenue" in the statement of financial position. The amounts are recognised as revenue when the Group performs under the contract.

Revenue from system installation services is recognised upon completion of service in cases where the projects are low value, the work had a short duration, and control of the assets created has not yet been transferred to the customers.

#### **Sales of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

#### **Rental Income**

Rental income is recognised on an accrual basis and is calculated on a straight-line basis over the lease term. The rental charge depends on rental area, rental rate charged per area, and rental period stipulated in the contract.

#### **Dividends**

Dividends are recognised when the right to receive the dividends is established.

#### **Interest income**

Interest income is recognised on an accrual basis based on the effective interest rate.

### **5.2 Cash and cash equivalents**

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

### 5.3 Accounts receivable

Accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

### 5.4 Inventories

Inventories are valued at the lower of cost under the weighted average method and net realisable value.

### 5.5 Cost to fulfill a contract

The Group recognises cost to fulfill a contract with a customer which generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

### 5.6 Cost to obtain a contract

The Group recognises commission paid to obtain a customer contract as an asset and amortises it to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct costs. Provided that the amortisation period of the asset that the Group otherwise would have used is one year or less, costs to obtain a contract are immediately recognised as expenses.

### 5.7 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit and loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which are classified as other investments, are stated at cost net of allowance for impairment loss (if any).
- e) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method, less allowance for impairment of investments (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association or by other relevant bodies. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

## 5.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any). No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

## 5.9 Property, plant and equipment / Depreciation

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

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

Buildings and building improvement	- 5-50 years
Leasehold improvement	- 10 years and lease period
Equipment	- 3-15 years and remaining period of concession
Furniture, fixtures and office equipment	- 2-5 years
Motor vehicles	- 3-5 years

Depreciation is included in profit or loss.

No depreciation is provided on land and assets under installation.

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

## 5.10 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 capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 5.11 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Intangible assets acquired through business combination	- Note 16
Royalty	- 10 years and remaining period of contracts
Computer softwar	- 3-5 years

No amortisation is provided on computer software under development



## 5.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

## 5.13 Business combinations under common control

Business combinations under common control are accounted for using the pooling of interests method, with the cost of the business combinations under common control being the fair value, at the date of exchange, of the consideration transferred to obtain control. The assets and liabilities of the entities pooled are recognized based on their book values, in proportion to the interests previously under common control.

Differences between the costs of the business combination under common control and the acquirer's proportionate interests in the book value of the pooled entities are directly recognised in shareholders' equity (and if the pooled entities have profit or loss transactions directly recognised in the shareholders' equity, the financial statements after business combination present the transaction as if the business combination occurred at the earliest reporting date). The remaining difference between the cost of the business combination under common control and the acquirer's proportionate interest in the book value of the pooled entities, after recognising the profit or loss transactions directly in shareholders' equity, is presented as "Differences on business combination under common control" in shareholders' equity.

Costs relating to business combinations under common control are accounted for as expenses in the period in which the business combination occurred.

## 5.14 Related party transactions

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

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

## 5.15 Long-term leases

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

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

### 5.16 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by foreign currency SWAP contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in profit or loss.

### 5.17 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

Except goodwill, in the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

### 5.18 Employee benefits

#### ***Short-term employee benefits***

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

#### ***Post-employment benefits and other long-term employee benefits***

##### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

##### ***Defined benefit plans and other long-term employee benefits***

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and 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.

### **5.19 Provisions**

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

Provision for anticipated losses on installation projects is made in the accounts in full when the possibility of loss is ascertained.

### **5.20 Income tax**

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

#### **Current tax**

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

#### **Deferred tax**

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

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that they are probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduce the carrying amounts of deferred tax assets to the extent that they are no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### **5.21 Derivatives**

#### **Interest rate swap contracts**

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

### **5.22 Fair value measurement**

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

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

- Level 1      Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2      Use of 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

At the end of each reporting period, the Group determines 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.

## **6. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Loss of control over subsidiary**

After issuance of additional ordinary shares in Master Ad Public Company Limited ("MACO") resulted in the Company's shareholding in MACO decreasing from 33.17% to 26.55% of all issued and paid-up shares. The Company's management deemed that it has loss of control over MACO since there are change in shareholders' structure which effect the ability to direct the activities that affect the amount of its variable returns. As a result, MACO has been excluded from the consolidated financial statements from the date of the loss of control.

### **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.

#### ***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 Group recognises 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 recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on information provided by the project managers and certificates of works from the customers.

## **Leases**

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

## **Allowance for doubtful accounts**

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

## **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, 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. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

## **Impairment of investments**

The Group treats investments as impaired when there has been a significant or prolonged decline in the fair value below their costs or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

## **Property plant and equipment / Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment including asset decommissioning costs and to review estimated useful lives, residual values and asset decommissioning costs when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## **Goodwill and intangible assets**

The initial recognition and measurement of goodwill and intangible assets, 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.

## **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## **Estimated system installation project costs**

The Group estimates costs of system installation project costs based on details of the installation work, taking into account the volume and value of system installation materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

### Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### Litigations

The Group has contingent liabilities as a result of litigations. The Group's management has used judgement to assess of the results of the litigations and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

## 7. RELATED PARTY TRANSACTIONS

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2020	2019	2020	2019 (Restated)	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Service income	-	-	80	198	Contract rate
Interest income	-	-	6	1	Contract rate
Costs of services	-	-	378	276	Contract rate
Commissions	-	-	3	3	Contract rate
Acquisition of equipment and computer software	-	-	188	163	Contract price
<b>Transactions with the ultimate parent company</b>					
Service income	136	-	78	-	Contract rate
Investor relation expenses	5	4	5	4	Contract rate
<b>Transactions with the parent company</b>					
Service income	63	65	12	11	Contract rate
Revenue from system installation services	48	18	-	-	Contract rate
Concession fees and other costs of services	350	375	314	324	Contract rate
Costs of system installation	40	-	-	-	Contract rate



(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2020	2019	2020	2019 (Restated)	
<b>Transactions with jointly controlled entities</b>					
Service income	55	74	42	49	Contract rate
Revenue from system installation services	57	39	-	-	Contract rate
Sales	7	15	-	-	Agreed-upon price
Interest income	13	11	-	-	Contract rate
Other income	2	16	-	-	Contract rate
Costs of services	14	5	-	-	Contract rate
<b>Transactions with associates</b>					
Service income	59	99	56	89	Contract rate
Interest income	5	9	3	2	Contract rate
Other income	2	8	-	-	Contract rate
Costs of services	45	2	32	1	Contract rate
<b>Transactions with related companies</b>					
Service income	25	76	1	4	Contract rate
Costs of services	6	17	1	1	Contract rate
Marketing and sales promotion expenses	3	24	1	3	Contract rate
Rental and service expenses	27	21	17	12	Contract rate
Other selling and administrative expenses	3	8	2	6	Agreed-upon price

As at 31 March 2020 and 2019, the balances of the accounts between the Group and those related individuals or companies were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Trade and other receivables - related parties (Note 10)</b>				
Ultimate parent company	84,041	-	29,997	-
Parent company	8,123	52,384	2,088	4,120
Subsidiaries	-	-	13,925	57,479
Jointly controlled entities	71,722	87,729	13,001	22,454
Associates	61,941	139,541	34,747	89,454
Related companies (related by common shareholders and/or directors)	2,799	38,241	106	1,107
Total trade and other receivables - related parties	228,626	317,895	93,864	174,614

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Prepaid expenses - related parties</b>				
Ultimate parent company	11	88	-	-
Parent company	7,903	13,725	7,903	12,664
Associates	2,040	-	2,040	-
Related companies (related by common shareholders and directors, or being shareholders of subsidiaries)	11	4,956	-	-
Total prepaid expenses - related parties	9,965	18,769	9,943	12,664
<b>Advance payments for purchases of assets - related party</b>				
Subsidiary	-	-	-	9,967
Associate	16,075	-	16,075	-
Total advance payments for purchases of assets - related party	16,075	-	16,075	9,967
<b>Deposits - related parties</b>				
Parent company	795	671	643	517
Jointly controlled entities	1,136	2,272	-	-
Related companies (related by common shareholders and directors)	5,636	5,636	3,380	3,381
Total deposits - related parties	7,567	8,579	4,023	3,898
<b>Trade and other payables - related parties (Note 18)</b>				
Ultimate parent company	482	1,209	482	1,209
Parent company	98,252	36,885	21,334	15,052
Subsidiaries	-	-	10,385	82,585
Jointly controlled entities	1,194	199	1,192	-
Associates	27,763	925	19,164	666
Related companies (related by common shareholders and/or directors, being shareholders of subsidiaries, or related as the Company is a shareholder)	23,282	24,752	259	880
Total trade and other payables - related parties	150,973	63,970	52,816	100,392

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>Accrued expenses - related parties</u></b>				
Ultimate parent company	861	606	-	-
Parent company	82,070	123,323	81,531	85,946
Subsidiaries	-	-	10,778	57,434
Jointly controlled entities	-	280	-	-
Associate	49,936	3,802	40,580	3,729
Related companies (related by common shareholders and/or directors, or being shareholders of subsidiaries)	1,742	6,130	799	104
Total accrued expenses - related parties	134,609	134,141	133,688	147,213
<b><u>Unearned revenues - related parties</u></b>				
Ultimate parent company	3	8	-	-
Parent company	5,191	30,116	4,891	5,396
Jointly controlled entities	488	21,203	250	-
Associate	1,078	-	1,049	-
Related company (related by common shareholders and directors)	-	1,042	-	-
Total unearned revenues - related parties	6,760	52,369	6,190	5,396
<b><u>Other current liabilities - related parties</u></b>				
Jointly controlled entities	3,560	772	-	-
Associate	-	614	-	-
Related company (being a shareholder of a subsidiary)	1,642	1,112	-	-
Total other current liabilities - related parties	5,202	2,498	-	-

### Short-term loans to related parties

As at 31 March 2020 and 2019, the balances of short-term loans between the Group and those related companies and the movements were as follows:

(Unit: Thousand Baht)

Short-term loans	Consolidated financial statements			
	Balance as at 31 March 2019	Increase during the year	Decrease during the year	Balance as at 31 March 2020
<b>Associates</b>				
Meru Utama Sdn Bhd	163,246	32,869	(196,115) <sup>1</sup>	-
Eyeballs Channel Sdn Bhd	15,601	-	(15,601)	-
Aero Media Group Company Limited	-	21,000	-	21,000
VGI Global Media (Malaysia) Sdn Bhd	-	133,361	-	133,361
<b>Jointly controlled entity</b>				
Titanium Compass Sdn Bhd	39,547	10,416	(49,963) <sup>1</sup>	-
	218,394	197,646	(261,679)	154,361
Less: Allowance for doubtful debts	-	(21,000)	-	(21,000)
Net	218,394	176,646	(261,679)	133,361

<sup>1</sup>Decrease from change in status of investment

(Unit: Thousand Baht)

Short-term loans	Separate financial statements			
	Balance as at 31 March 2019	Increase during the year	Decrease during the year	Balance as at 31 March 2020
<b>Subsidiaries</b>				
BSS Holdings Company Limited	-	72,000	-	72,000
Bangkok Smartcard System Company Limited	-	15,000	-	15,000
<b>Associates</b>				
VGI Global Media (Malaysia) Sdn Bhd Sdn Bhd	70,000	148,361	(85,000)	133,361
Aero Media Group Company Limited	-	21,000	-	21,000
	70,000	256,361	(85,000)	241,361
Less: Allowance for doubtful debts	-	(21,000)	-	(21,000)
Net	70,000	235,361	(85,000)	220,361

### Long-term loans to related parties

As at 31 March 2020 and 2019, the balances of long-term loans between the Group and those related companies and the movements were as follows:

(Unit: Thousand Baht)

Long-term loans	Consolidated financial statements			
	Balance as at 31 March 2019	Increase during the year	Decrease during the year	Balance as at 31 March 2020
<b>Jointly controlled entity</b>				
ATS Rabbit Special Purpose Vehicle Company Limited	84,074	-	-	84,074
<b>Associate</b>				
Demo Power (Thailand) Company Limited	52,170	-	(5,868)	46,302
Total	136,244	-	(5,868)	130,376
Less: Current portion	(5,869)			(7,826)
Long-term loans to related parties - net of current portion	130,375			122,550

(Unit: Thousand Baht)

Long-term loans	Separate financial statements			
	Balance as at 31 March 2019	Increase during the year	Decrease during the year	Balance as at 31 March 2020
<b>Associate</b>				
Demo Power (Thailand) Company Limited	52,170	-	(5,868)	46,302
Less: Current portion	(5,869)			(7,826)
Long-term loan to related party - net of current portion	46,301			38,476

### Directors and management's benefits

During the years ended 31 March 2020 and 2019, the Group had employee benefit expenses payable to its directors and management as detailed below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	182	185	76	75
Post-employment benefits	17	10	5	4
Total	199	195	81	79

## 8. CURRENT INVESTMENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Fixed deposits with maturity date more than three months	45,372	152,964	-	-
Investments in debt securities expected to be held to maturity				
Private sector debt securities	-	857,031	-	857,031
Total	45,372	1,009,995	-	857,031

## 9. BANK ACCOUNT FOR ADVANCE RECEIVED FROM CARDHOLDERS

In order to comply with the Notification of the Bank of Thailand applicable to electronic card businesses, Bangkok Smartcard System Company Limited has to deposit cash received in advance from cardholders with financial institutions in an amount not less than the outstanding balance of the advance receipts at the end of each day. These funds cannot be used for any purposes other than making payment to goods or service providers on behalf of the cardholder. As at 31 March 2020, the balances of bank account for cash received in advance from cardholders and cash received in advance from card holders were Baht 556 million and Baht 515 million, respectively (2019: Baht 502 million and Baht 489 million, respectively).

## 10. TRADE AND OTHER RECEIVABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Not yet due	108,628	91,326	55,032	62,072
Past due				
Up to 3 months	45,306	47,584	34,464	41,462
3 - 6 months	5,550	5,795	12,010	19,651
6 - 12 months	12,207	22,911	11,565	8,132
Over 12 months	52,193	41,120	36,336	41,120
Total	223,884	208,736	149,407	172,437
Less: Allowance for doubtful debts	(74,869)	-	(59,195)	-
	149,015	208,736	90,212	172,437
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	487,817	692,059	405,630	463,549
Past due				
Up to 3 months	169,932	188,833	156,804	61,129
3 - 6 months	32,435	35,387	30,013	5,456
6 - 12 months	44,770	28,772	38,725	139
Over 12 months	19,835	28,730	11,523	11,523
Total	754,789	973,781	642,695	541,796
Less: Allowance for doubtful debts	(119,985)	(18,911)	(108,565)	(11,523)
	634,804	954,870	534,130	530,273
Post-dated cheques	543	-	-	-
Total trade receivables - unrelated parties - net	635,347	954,870	534,130	530,273
Total trade receivables - net	784,362	1,163,606	624,342	702,710



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Other receivables</b>				
Other receivables - related parties	34,676	55,815	107	107
Other receivables	67,215	127,744	31,776	27,047
Dividend receivable - related party	37,894	35,526	-	-
Interest receivable from financial institutions	3,916	6,403	281	4,076
Interest receivable from related parties	4,509	7,770	3,655	951
Accrued income - related parties	2,918	5,186	276	1,119
Accrued income	128,295	116,464	60,593	53,741
Retention receivables - related parties	-	4,862	-	-
Retention receivables	-	16,305	-	-
Total	279,423	376,075	96,688	87,041
Less: Allowance for doubtful debts	(3,178)	(11,469)	(386)	-
Total other receivables - net	276,245	364,606	96,302	87,041
Total trade and other receivables - net	1,060,607	1,528,212	720,644	789,751

## 11. INVESTMENTS IN SUBSIDIARIES

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net		Dividend received during the years	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
VGI Advertising Media Co., Ltd.	10,000	10,000	10,000	10,000	-	-	10,000	10,000	-	-
888 Media Co., Ltd.	20,000	20,000	20,000	20,000	-	-	20,000	20,000	80,000	50,000
Point of View (POV) Media Group Co., Ltd.	10,000	10,000	60,000	60,000	(45,354)	(45,354)	14,646	14,646	-	-
BSS Holdings Co., Ltd. ("BSSH")	1,200,000	1,200,000	1,302,804	1,302,804	-	-	1,302,804	1,302,804	-	-
Bangkok Smartcard System Co., Ltd.	400,000	400,000	669,017	669,017	-	-	669,017	669,017	-	-
Master Ad Plc. ("MACO")	541,198	433,198	-	1,709,808	-	-	-	1,709,808	43,364	42,316
VGI Global Media (Malaysia) Sdn Bhd	333,370	261,274	-	65,318	-	-	-	65,318	-	-
VGI MACO (Singapore) Private Limited	2	2	-	1	-	-	-	1	-	-
Total			2,061,821	3,836,948	(45,354)	(45,354)	2,016,467	3,791,594	123,364	92,316
Deficit on business combination under common control							(663,672)	(663,672)		
Investments in subsidiaries - net							1,352,795	3,127,922		

Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) attributable to non-controlling interests during the years		Dividend paid to non-controlling interests during the years	
	2020	2019 (Restated)	2020	2019 (Restated)	2020	2019	2020	2019
BSSH	10	10	258	296	-	(13)	-	-
MACO	-	66.83	-	2,581	(38)	131	91	94

Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Million Baht)

	BSSH		MACO	
	2020	2019	2020	2019 (Restated)
Current assets	479	302	-	190
Non-current assets	857	886	-	2,559
Current liabilities	(374)	(204)	-	(1,057)
Non-current liabilities	(24)	(9)	-	(166)

Summarised information about comprehensive income

(Unit: Million Baht)

	BSSH		MACO	
	2020	2019	2020	2019 (Restated)
Revenues	538	391	-	2,181
Profit (loss)	(38)	(132)	-	257
Other comprehensive income	2	-	-	(33)
Total comprehensive income	(36)	(132)	-	224

Summarised information about cash flows

(Unit: Million Baht)

	BSSH		MACO	
	2020	2019	2020	2019
Cash flows from (used in) operating activities	22	(48)	-	545
Cash flows from (used in) investing activities	(5)	31	-	(1,363)
Cash flows from financing activities	80	-	-	1,354
Translation adjustments	-	-	-	(10)
Net increase (decrease) in cash and cash equivalents	97	(17)	-	526

## **Master Ad Public Company Limited ("MACO")**

### **11.1 Transactions before change in status of investment from subsidiary to associate**

#### **11.1.1 Trans.Ad Solutions Company Limited's Group ("Trans.Ad Group")**

In July 2018, Eye On Ads Company Limited ("Eye On Ads") acquired ordinary shares of Trans.Ad from its existing shareholders and the acquisition of additional ordinary shares of Trans.Ad, totaling 400,464 ordinary shares, representing 81.65% of all issued shares after issuing additional ordinary shares, at a total price of Baht 388 million.

Trans.Ad used the proceeds from payment for the shares by Eye On Ads to acquire 1,776,018 ordinary shares of Roctec from its existing shareholders, representing 89% of the total issued shares of Roctec, at a total price of HKD 89 million or approximately Baht 378 million. In addition, after the acquisition of Roctec's shares, Trans.Ad received 102,000 preferred shares of Winbliss Systems Limited ("Winbliss"), a subsidiary of Roctec, representing 51% of the total issued and paid-up shares of Winbliss, from the existing shareholders.

During the first quarter of the current year, Eye On Ads completed the measurement of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, and the measurement of related goodwill.

The Company restated the consolidated statement of financial position as at 31 March 2019, presented as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed of Trans.Ad Group as from the acquisition date. The cumulative effect of the change in fair value has been separately presented in the statement of changes in shareholders' equity. The amounts of the adjustments affecting the consolidated statements of financial position and comprehensive income under discontinued operation are summarised as below:

(Unit: Thousand Baht)

#### **Consolidated statements of financial position**

Estimated amount by which costs of the acquisitions of investments  
in subsidiaries exceed identifiable net assets of the acquirees

Goodwill

Intangible assets

Deferred tax liabilities

Translation adjustment

Non-controlling interests of the subsidiaries

Retained earnings of subsidiaries as at the acquisition date

#### **Increase (decrease)**

**31 March 2019**

(267,292)

152,695

210,877

34,942

(2,057)

47,109

16,286

(Unit: Thousand Baht)

**Increase (decrease)**

**For the year ended  
31 March 2020**

**Consolidated statement of comprehensive income**

**Profit or loss:**

Selling expenses	63,908
Income tax	(10,790)
Profit for the year	(53,118)

**Attributable to:**

Profit attributable to equity holders of the Company	(12,971)
Profit attributable to non-controlling interests	(40,147)

**Earnings per share (Baht):**

Basic earnings per share	(0.0015)
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**Other comprehensive income:**

Exchanges differences on translation of financial statements in foreign currencies	3,018
Other comprehensive income for the year	3,018

**11.1.2 Co-Mass Company Limited ("Co-Mass")**

A meeting of the Executive Committee of MACO on 15 May 2019 passed resolution to approve Eye On Ads's acquisition of an additional 16,875 ordinary shares of Co-Mass from its existing shareholder ("the Seller"), which represents 30% of all issued shares of Co-Mass. On 4 June 2019, Eye On Ads entered into a share purchase and sale agreement with the Seller whereby the total purchase price was to be Baht 160 million, in accordance with the terms and conditions stipulated in the share purchase and sale agreement. Payment was to be made in three installments as follow:

- 1) A purchase price of Baht 20 million to be paid on the date of the share purchase and sale agreement.
- 2) A purchase price of Baht 65 million to be paid on the date that Eye On Ads and the Seller comply with the terms and conditions stipulated in the share purchase and sale agreement.
- 3) A purchase price of Baht 75 million to be paid within 20 days after the second installment.

On 31 July 2019, Eye on Ads received transfer of ordinary shares from the Seller.

Accounting records of the additional acquisition of Co-Mass's ordinary shares are detailed below:

(Unit: Thousand Baht)

**Consolidated financial  
statements**

Purchase price of investment in subsidiary	160,000
Less: Adjusted non-controlling interests of subsidiary	(116,598)
Deficit from change in ownership interest in subsidiary	43,402

### 11.1.3 Gold Star Group Company Limited ("GSG")

On 23 November 2018, a meeting of MACO's Board of Directors passed a resolution approving Green Ad Company Limited ("Green Ad")'s acquisition of 3 million ordinary shares with a par value of Baht 10 of GSG from its existing shareholders ("the Sellers"), representing 60% of all issued shares of GSG, at a purchase price of Baht 240 million, which was mutually agreed, in accordance with the terms and conditions stipulated in the share purchase and sale agreement dated 30 November 2018 between Green Ad and the Sellers. GSG is principally engaged in the design, production and provision of publishing media and all types of advertising media.

On 14 December 2018, Green Ad received 3 million ordinary shares of GSG, and made full payment for these shares.

In December 2019, Green Ad completed the measurement of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, and the measurement of related goodwill. The value of the assets and liabilities of GSG at the acquisition date are as summarised below:

The Company restated the consolidated statement of financial position as at 31 March 2019, presented as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed of GSG as from the acquisition date. The cumulative effect of the change in fair value has been separately presented in the statement of changes in shareholders' equity. The amounts of the adjustments affecting the consolidated statements of financial position and comprehensive income under discontinued operation are summarised as below:

(Unit: Thousand Baht)

#### Consolidated statements of financial position

Estimated amount by which costs of the acquisitions of investments  
in subsidiaries exceed identifiable net assets of the acquirees

Goodwill

Intangible assets

Deferred tax liabilities

Non-controlling interests of the subsidiaries

#### Increase (decrease)

31 March 2019

(213,173)

41,813

357,000

71,400

114,240

(Unit: Thousand Baht)

#### Increase (decrease)

For the year ended  
31 March 2020

#### Consolidated statement of comprehensive income

##### Profit or loss:

Selling expenses

Income tax

Profit for the year

##### Attributable to:

Profit attributable to equity holders of the Company

Profit attributable to non-controlling interests

##### Earnings per share (Baht):

Basic earnings per share

13,479

(2,696)

(10,783)

(2,146)

(8,637)

(0.0002)



#### 11.1.4 VGI Global Media (Malaysia) Sdn Bhd ("VGIM")

On 15 May 2019, the Company's Executive Committee Meeting of shareholders passed a resolution approving the acquisition of VGIM's additional ordinary shares issued and offered to its existing shareholders on a pro rata basis to their respective shareholding (Rights Offering). The Company purchased 2.4 million shares, at an offering price of MYR 1 per share.

#### 11.1.5 Puncak Berlian Sdn Bhd ("PBSB")

On 19 April 2019, VGIM entered into an agreement with Redberry Sdn Bhd, an existing shareholder (the "Seller"), to acquire 6,850,042 shares of PBSB, at a price of MYR 9.6 million, and made full payment for shares in July 2019. As a result, VGIM's shareholding in PBSB increased from 25% to 65% of all issued shares of PBSB and the Group has control over PBSB. The classification of the investment in the PBSB Group was therefore changed from the investment in an associate to a subsidiary, with the fair value of Baht 70 million as at the acquisition date of the interests held by VGIM before the acquisition date (Level 3 of the fair value hierarchy, using growth rates at 3-17% and discount rates at 10-16%). The Group recognised gain of Baht 41 million from the measurement of the fair value of the investment in other income under discontinued operation in the consolidated statement of comprehensive income for the current year.

However, the Group is measuring the fair value as at the acquisition date of the identifiable assets acquired and liabilities assumed, as well as related goodwill and the fair value of the investment in the PBSB Group held by the Group before the acquisition date.

Revenue and loss of the PBSB Group for the period from the acquisition date included in discontinued operation in the consolidated statement of comprehensive income for the year ended 31 March 2020 amounted to Baht 317 million and Baht 57 million, respectively.

### 11.2 Change in status of investment from subsidiary to associate/Discontinued operation

On 30 January 2020, MACO issued and offered 1,080 million additional ordinary shares to Plan B Media Public Company Limited ("PLANB") in accordance with a resolution passed by an Extraordinary General Meeting of MACO's shareholders on 14 January 2020. MACO registered the corresponding increase in its share capital with the Ministry of Commerce on 30 January 2020. As a result, the Company's shareholding in MACO decreased from 33.17% to 26.55% of all issued shares of MACO and the Company therefore lost control over MACO and has had no ability to direct MACO's significant activities. The Company has changed the classification of its investment in MACO from the investment in a subsidiary to an associate since 30 January 2020.

In addition, since the Company and MACO hold 25% and 75%, respectively, of all shares of VGIM and 25% and 75%, respectively, of all shares of VGIMS, the Company has changed the classification of its investments in both companies from the investments in subsidiaries to associates since that date on which the Company's control over MACO ceased.

For reclassification of investment, the Company measured investments held by the Company at fair value (after change in status of investment) and recognized gain on change in status of investment under discontinued operation in the consolidated statement of comprehensive income. The details are as follows:

(Unit: Thousand Baht)

Fair values of the Company's interests in:

MACO<sup>1)</sup>

VGIM<sup>2)</sup>

Less: Carrying value of net assets of MACO and its subsidiaries as at the loss of control date

Gain on change in status of investment

#### Consolidated financial statements

2,141,397

28,793

(1,619,867)

550,323

<sup>1)</sup> Level 1 of the fair value hierarchy

<sup>2)</sup> Level 3 of the fair value hierarchy, using growth rate and discount rate at 3 - 17% and 10 - 16%, respectively

Carrying value of net assets of MACO and its subsidiaries as at the loss of control date are as follows:

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>
Net asset value	2,732,934
Non-controlling interests	(1,984,661)
Exchange differences on translation of financial statements	14,283
Goodwill	866,178
Elimination	(8,867)
Net	1,619,867

The Company is in the process of the measurement of the fair values as at 30 January 2020 of the identifiable assets acquired and liabilities assumed of the associates. Their values are detailed below.

(Unit: Thousand Baht)

	<b>Carrying value</b>	
	<b>MACO</b>	<b>VGIM</b>
Cash and cash equivalents	702,241	3,890
Current investments	20,000	-
Trade and other receivables	965,501	313,170
Advance payments to contractors	79,303	-
Other current assets	308,482	2,920
Restricted bank deposits	38,676	-
Investments in associates	186,229	183,117
Investment properties	92,198	-
Plant and equipment	879,046	98,373
Intangible assets	806,625	150,335
Goodwill/Estimated amount by which costs of the acquisition of investment in a subsidiary exceed identifiable net assets of the acquiree	893,136	53,833
Deferred tax assets	24,348	-
Other non-current assets	99,613	5,897
Short-term loans from financial institutions	(345,000)	-
Trade and other payables	(238,589)	(144,348)
Short-term loans from related parties	(121,486)	(485,944)
Accrued expenses	(691,762)	(40,338)
Income tax payable	(27,471)	-
Other current liabilities	(273,250)	-
Long-term loans from financial institutions	(113,385)	-
Provision for long-term employee benefits	(53,308)	-
Deferred tax liabilities	(168,020)	(36,056)
Other non-current liabilities	(30,170)	(2,100)
Non-controlling interests of the subsidiaries	(300,023)	12,423
Net assets of the associates	2,732,934	115,172

Note: After issuance of additional ordinary shares to PLANB, MACO will have additional net assets amounting to Baht 1,544 million.

The subsidiaries and associates included in the consolidated financial statements of MACO as at the date on which the Company lost control over MACO are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (Percent)
<b><u>Subsidiaries held by MACO</u></b>			
Master and More Company Limited	Production and provision of outdoor advertising media services	Thailand	100
Eye On Ads Company Limited	Production and sales of tri-vision equipment	Thailand	100
Green Ad Company Limited	Provision of advertising services through the supply of tree wall-panel	Thailand	100
Inkjet Images (Thailand) Company Limited	Production of advertising media and billboards	Thailand	50
Landy Development Company Limited (14.89% held by Master and More Company Limited)	Provision of office building rental service	Thailand	48.87
Maco Outdoor Sdn. Bhd.	Investment in advertising media business	Malaysia	100
VGIM (25% held by the Company)	Investment in advertising media business	Malaysia	75
VGI MACO (Singapore) Private Limited	Investment in advertising media business	Singapore	75
<b><u>Subsidiary held by Master and More Company Limited</u></b>			
Open Play Company Limited	Provision of outdoor advertising media services	Thailand	100
<b><u>Subsidiaries held by Green Ad Company Limited</u></b>			
Multi Sign Company Limited	Production and provision of outdoor advertising media services	Thailand	100
Gold Star Group Company Limited	Design, production and provision of publishing media and all types of advertising media	Thailand	60
<b><u>Subsidiaries held by Eye On Ads Company Limited</u></b>			
Co-Mass Company Limited	Production and provision of outdoor advertising media services	Thailand	100
Trans.Ad Solutions Company Limited	Design and system installation services	Thailand	81.65
<b><u>Subsidiaries held by Trans.Ad Solutions Company Limited</u></b>			
Roctec Technology Limited	System integration services	Hong Kong	89
Trans.Ad Malaysia Sdn Bhd	Provision of media rental services	Malaysia	100
<b><u>Subsidiaries held by Roctec Technology Limited</u></b>			
Parkway Technology Limited	Investment holding	Hong Kong	100
Winbliss Systems Limited	Distribution software and computer related products including system development, installation and maintenance	Thailand	100
<b><u>Subsidiary held by VGIM</u></b>			
Puncak Berlian Sdn Bhd	Provision of outdoor advertising media service in Malaysia	Malaysia	65

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (Percent)
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**Subsidiaries held by Puncak Berlian Sdn Bhd**

Meru Utama Sdn Bhd (25.1% held by VGIM)	Provision of advertising media in airports in Malaysia	Malaysia	74.8
Titanium Compass Sdn Bhd (19% held by the Company)	Provision of advertising media in the mass rapid transit (MRT) system in Malaysia	Malaysia	51

**Subsidiary held by VGIMS**

VGI MACO (Cambodia) Company Limited	Provision of advertising media in airports in Cambodia	Cambodia	100
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**Associate held by Maco Outdoor Sdn Bhd**

Eyeballs Channel Sdn Bhd	Provision of outdoor advertising media service in Malaysia	Malaysia	40
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**Associate held by Puncak Berlian Sdn Bhd**

PT Avabanindo Pekasa (10% held by VGIM)	Provision of advertising media in the mass rapid transit (MRT) system in Indonesia	Indonesia	25
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The operating results of MACO were separately presented under the heading of "Gain (loss) from discontinued operations for the year" in profit or loss in the statement of comprehensive income. The details are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2020	2019
<b>Revenues</b>		
Service income	1,102,840	945,163
Revenue from system installation services	809,330	663,042
Sales	29,348	36,008
Other income	77,246	54,442
<b>Total revenues</b>	<b>2,018,764</b>	<b>1,698,655</b>
<b>Expenses</b>		
Cost of services	544,822	249,917
Cost of system installation services	513,709	536,747
Cost of sales	25,826	54,903
Servicing and selling expenses	314,798	175,136
Administrative expenses	622,334	359,459
<b>Total expenses</b>	<b>2,021,489</b>	<b>1,376,162</b>
<b>Profit (loss) before share of loss from investments in associates, finance cost and income tax expenses</b>	<b>(2,725)</b>	<b>322,493</b>
Share of loss from investments in associates	(87,115)	(57,819)

(Unit: Thousand Baht)

	Consolidated financial statements	
	2020	2019
<b>Profit (loss) before finance cost and income tax expenses</b>	(89,840)	264,674
Finance cost	(12,807)	(10,377)
<b>Profit (loss) before income tax expenses</b>	(102,647)	254,297
Income tax expenses	(32,687)	(92,262)
<b>Profit (loss) for the year from discontinued operation</b>	(135,334)	162,035
<b>Gain on change in status of investment</b>	550,323	-
<b>Total profit for the year from discontinued operation</b>	414,989	162,035

Cash flow information from the discontinued operations for the years ended 31 March 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2020	2019
Cash flows from (used in) operating activities	(279,809)	504,993
Cash flows used in investing activities	(266,211)	(1,363,712)
Cash flows from financing activities	514,727	1,215,686

Details of earnings per share of the discontinued operation are as below.

	Consolidated financial statements	
	2020	2019
Basic earnings (loss) per share (Baht)	0.0580	(0.0003)

## 12. INVESTMENTS IN JOINT VENTURES

Investments in joint ventures represent investments in entities which are jointly controlled by the Group and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Country of incorporation	Consolidated financial statements		
			Shareholding percentage	Carrying amounts based on equity method	
			2020 (Percent)	2019 (Percent)	2020 2019
Titanium Compass Sdn Bhd	Provision of advertising media in the mass rapid transit (MRT) system, Lembah Kelang - Jajaran Sungai Buloh - Kajang (KVMRT-SBK Line (MRT1)) in Malaysia	Malaysia	19	19	-
The ICON VGI Company Limited	Management of advertising media for the Gold Line Monorail Mass Rapid Transit System project	Thailand	25	25	211 223
Supremo Media Company Limited	Management of advertising media	Thailand	25	25	6,037 7,997
ATS Rabbit Special Purpose Vehicle Company Limited ("ATS")	Special purpose juristic person established to receive the transfer of rights of claim in consumer loans arising from use of credit granted through AEON Rabbit Member Cards, where by ATS will convert the rights of claim to securities	Thailand	51	51	22 22
Rabbit-LINE Pay Company Limited ("RLP")	Provision of electronic money, electronic payment services through any device or network and bill payment services, under the name "Rabbit LINE Pay"	Thailand	33.33	33.33	399,952 511,035
BV Media Ads Limited	Provide Media and public relations services	Thailand	50	50	6,327 3,825
VGI AnyMind Technology Company Limited	Development for outdoor media applications	Thailand	49	49	4,745 123
V-Click Technology Company Limited	Distributor of online advertising media in China to serve brand owners in Thailand and development for mobile applications	Thailand	30	-	-
SLV Retail Company Limited	Provision of convenience stores in mass transit facilities	Thailand	30	-	4,603 -
Total					421,897 523,225



Joint ventures	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2020 (Percent)	2019 (Percent)	2020	2019
Titanium Compass Sdn Bhd	Provision of advertising media in the mass rapid transit (MRT) system, Lembah Kelang - Jajaran Sungai Buloh - Kajang (KVMRT-SBK Line (MRT1)) in Malaysia	Malaysia	19	19	1,788	1,788
The ICON VGI Company Limited	Management of advertising media for the Gold Line Monorail Mass Rapid Transit System project	Thailand	25	25	250	250
Supremo Media Company Limited	Management of advertising media	Thailand	25	25	250	250
BV Media Ads Limited	Provide Media and public relations services	Thailand	50	50	15,000	5,000
VGI AnyMind Technology Company Limited	Development for outdoor media applications	Thailand	49	49	4,900	123
V-Click Technology Company Limited	Distributor of online advertising media in China to serve brand owners in Thailand and development for mobile applications	Thailand	30	-	10,800	-
SLV Retail Company Limited	Provision of convenience stores in mass transit facilities	Thailand	30	-	6,000	-
Total					38,988	7,411

## Share of comprehensive income

(Unit: Thousand Baht)

Joint ventures	Share of profit (loss) from investments in joint ventures during the years	
	2020	2019
Titanium Compass Sdn Bhd	-	-
The ICON VGI Company Limited	(12)	(11)
Supremo Media Company Limited	5,040	4,319
BV Media Ads Limited	(7,498)	(1,175)
ATS Rabbit Special Purpose Vehicle Company Limited	41,036	36,767
Rabbit-LINE Pay Company Limited	(111,084)	(143,060)
VGI AnyMind Technology Company Limited	(155)	-
V-Click Technology Company Limited	(10,800)	-
SLV Retail Company Limited	(1,397)	-
Total	(84,870)	(103,160)

## Dividend income

(Unit: Thousand Baht)

Joint ventures	For the year ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Supremo Media Company Limited	7,000	-	7,000	-
ATS Rabbit Special Purpose Vehicle Company Limited	41,036	36,767	-	-
Total	48,036	36,767	7,000	-

**Summarised financial information about material joint ventures**  
**Summarised information about financial position**

(Unit: Million Baht)

	ATS		RLP	
	2020	2019	2020	2019
Other current assets	1,972	1,946	768	1,267
Non-current assets	2	1	243	200
Other current liabilities	(101)	(98)	(387)	(514)
Other non-current liabilities	(1,873)	(1,849)	(5)	(5)
<b>Net assets</b>	-	-	619	948
Shareholding percentage (%)	51	51	33.33	33.33
<b>Share of net assets</b>	-	-	206	316
Fair value adjustment of assets acquired and liabilities assumed	-	-	6	7
Goodwill	-	-	188	188
<b>Carrying amounts of joint ventures based on equity method</b>	-	-	400	511

**Summarised information about financial comprehensive income**

(Unit: Million Baht)

	ATS		RLP	
	2020	2019	2020	2019
Revenues	466	417	114	219
Total comprehensive income - profit (loss)	82	74	(327)	(419)

### 13. INVESTMENTS IN ASSOCIATES

Details of associates:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements			
			Shareholding percentage		Carrying amounts based on equity method	
			2020 (Percent)	2019 (Percent)	2020	2019
Aero Media Group Company Limited	Provision of advertising media in 13 domestic airports	Thailand	30.00	30.00	115,799	161,882
Demo Power (Thailand) Company Limited	Arrangement of marketing activities, including distribution of samples and carrying out product demonstrations to promote sales	Thailand	40.00	40.00	444,907	418,125
Groupwork Company Limited	Rental of real estate for office space and/or co-working space, including spaces inside the BTS skytrain system	Thailand	20.00	20.00	1,592	1,785
Kerry Express (Thailand) Limited	Provision of domestic express delivery services	Thailand	23.00	23.00	6,173,407	6,054,107
Ads Chaophraya Company Limited	Rendering advertising media services exclusively on passenger boats, express boats, ferries, tourist boats travelling along the Chao Phraya River and rendering advertising media services on billboards located on piers along river	Thailand	25.00	-	90,126	-
Puncak Berlian Sdn Bhd (Note 11.2)	Provision of outdoor advertising media service in Malaysia	Malaysia	-	25.00	-	69,370
Meru Utama Sdn Bhd (Note 11.2)	Provision of advertising media in airports in Malaysia	Malaysia	-	25.10	-	20,793
Eyeballs Channel Sdn Bhd (Note 11.2)	Provision of outdoor advertising media service in Malaysia	Malaysia	-	40.00	-	6,197
Master Ad Public Company Limited (Note 11.2)	Management and provision of advertising services	Thailand	26.58	-	2,137,335	-
VGI Global Media (Malaysia) Sdn Bhd (Note 11.2)	Investment in advertising media business	Malaysia	25.00	-	13,056	-
VGI MACO (Singapore) Private Limited (Note 11.2)	Investment in advertising media business	Singapore	25.00	-	-	-
Total					8,976,222	6,732,259
Less: Allowance for impairment					(115,799)	-
Net					8,860,423	6,732,259

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2020 (Percent)	2019 (Percent)	2020	2019
Aero Media Group Company Limited	Provision of advertising media in 13 domestic airports	Thailand	30.00	30.00	180,386	180,386
Demo Power (Thailand) Company Limited	Arrangement of marketing activities, including distribution of samples and carrying out product demonstrations to promote sales	Thailand	40.00	40.00	416,090	416,090
Groupwork Company Limited	Rental of real estate for office space and/or co-working space, including spaces inside the BTS skytrain system	Thailand	20.00	20.00	1,250	1,250
Kerry Express (Thailand) Limited	Provision of domestic express delivery services	Thailand	23.00	23.00	6,022,806	5,884,806
Ads Chaophraya Company Limited	Rendering advertising media services exclusively on passenger boats, express boats, ferries, tourist boats travelling along the Chao Phraya River and rendering advertising media services on billboards located on piers along river	Thailand	25.00	-	100,000	-
Master Ad Public Company Limited (Note 11.2)	Management and provision of advertising services	Thailand	26.58	-	1,701,234	-
VGI Global Media (Malaysia) Sdn Bhd (Note 11.2)	Investment in advertising media business	Malaysia	25.00	-	83,367	-
VGI MACO (Singapore) Private Limited (Note 11.2)	Investment in advertising media business	Singapore	25.00	-	1	-
Total					8,505,134	6,482,532
Less: Allowance for impairment					(180,386)	-
Net					8,324,748	6,482,532

## Share of comprehensive income

(Unit: Thousand Baht)

Associates	Consolidated financial statements			
	Share of profit (loss)		Share of other comprehensive income	
	2020	2019	2020	2019
Aero Media Group Company Limited	(46,084)	(27,336)	-	-
Demo Power (Thailand) Company Limited	26,782	(2,294)	-	-
Groupwork Company Limited	(193)	609	-	-
Kerry Express (Thailand) Limited	268,340	169,302	-	-
Ads Chaophraya Company Limited	(9,874)	-	-	-
Puncak Berlian Sdn Bhd	(49,471)	(38,699)	-	-
Meru Utama Sdn Bhd	(15,648)	(22,362)	-	-
Eyeballs Channel Sdn Bhd	(3,738)	3,242	-	-
PT AVABANINDO PERKASA	(18,258)	-	-	-
Master Ad Public Company Limited	(7,620)	-	2,351	-
VGI Global Media (Malaysia) Sdn Bhd ("VGIM")	(15,460)	-	(277)	-
VGI MACO (Singapore) Private Limited	-	-	-	-
	128,776	82,462	2,074	-
Discontinued operations (Note 11.2)	87,115	57,819	-	-
Total	215,891	140,281	2,074	-

The Company recognised share of comprehensive income of VGIM from VGIM and its subsidiaries' consolidated financial statements prepared by the management due to restrictions imposed by the Coronavirus disease 2019 pandemic in Malaysia and Indonesia.

## Dividend income

(Unit: Thousand Baht)

Associates	For the years ended 31 March	
	Consolidated and Separate financial statements	
	2020	2019
Kerry Express (Thailand) Limited	287,040	-
Total	287,040	-

## Fair value of investment in an associate

(Unit: Thousand Baht)

Associates	For the years ended 31 March	
	Consolidated and Separate financial statements	
	2020	2019
Master Ad Public Company Limited	790,760	-

**Summarised financial information about material associates**  
**Summarised information about financial position**

(Unit: Million Baht)

	Kerry		MACO	
	2020	2019	2020	2019
Current assets	3,168	2,474	2,215	-
Non-current assets	3,077	2,781	4,558	-
Other current liabilities	(2,739)	(3,372)	(2,362)	-
Other non-current liabilities	(955)	(79)	(303)	-
<b>Net assets</b>	<b>2,551</b>	<b>1,804</b>	<b>4,108</b>	-
Shareholding percentage (percent)	23	23	26.58	-
<b>Share of net assets</b>	<b>587</b>	<b>415</b>	<b>1,092</b>	-
Fair value adjustment of assets acquired and liabilities assumed	320	373	39	-
Goodwill	5,266	5,266	1,006	-
<b>Carrying amounts of associates based on equity method</b>	<b>6,173</b>	<b>6,054</b>	<b>2,137</b>	-

**Summarised information about comprehensive income**

(Unit: Million Baht)

	Kerry		MACO	
	2020	2019	2020	2019
Revenues	19,858	11,737	417	-
Profit (loss) <sup>1</sup>	1,152	736	(29)	-
Other comprehensive income	(19)	-	9	-
Total comprehensive income <sup>1</sup>	1,133	736	(20)	-

<sup>1</sup> After adjustment of amortization of fair value adjustment of assets acquired and liabilities assumed

**13.1 Kerry Express (Thailand) Limited ("Kerry")**

On 27 February 2020, Kerry increased its registered share capital by Baht 600 million, from Baht 120 million, and the Company acquired 276 million additional ordinary shares with a par value of Baht 0.5 each of Kerry issued and offered to its existing shareholders on a pro rata basis, totaling Baht 138 million.



### 13.2 Ads Chaophraya Company Limited ("ACP")

On 29 April 2019, the Company has entered into the Share Purchase and Subscription for the investment in shares of ACP, a private limited company incorporated under the laws of Thailand, engaging in the business of rendering advertising media services exclusively on passenger boats, express boats, ferries, tourist boats travelling along the Chao Phraya River and rendering advertising media services on billboards located on piers along river, by purchasing existing shares of ACP from the existing shareholder, i.e. Silver Pendulum Limited (the "Seller") in an amount of 1,429 shares, with a par value of Baht 100 per share, at a price of Baht 34,989.50 per share, with the total value of Baht 50 million (the "Purchase Price") and subscribing newly issued ordinary shares of ACP in the amount of 1,429 shares, with a par value of Baht 100 per share, at a price of Baht 34,989.50 per share, with the total value of Baht 50 million. The ACP's shares to be acquired are in total of 2,858 shares, with a par value of Baht 100 per share, which are equivalent to 25.01% of the total issued shares of ACP (after the issuance and offering of newly issued ordinary shares pursuant to this transaction), with the total consideration of Baht 100 million. In this regard, upon receiving the Purchase Price from the Company, the Seller utilized the consideration in the amount of Baht 42,523,573.32 to subscribe for the newly issued ordinary shares of the Company which are issued and offered through the private placement under the general mandate, which were approved by the 2018 Annual General Meeting of Shareholders of the Company held on 5 July 2018, in the amount of 4,485,609 shares, at a subscription price of Baht 9.48 per share

In April 2020, the Company completed the measurement of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date.

## 14. OTHER LONG-TERM INVESTMENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Investments in available-for-sale securities</b>				
Domestic equity security	4,845,566	4,626,155	4,845,566	4,626,155
Foreign equity security	99,987	-	99,987	-
	4,945,553	4,626,155	4,945,553	4,626,155
Allowance for change in value <sup>1</sup>	(2,532,460)	(42,695)	(2,532,460)	(42,695)
	2,413,093	4,583,460	2,413,093	4,583,460
<b>Other investments</b>				
Foreign equity security	155,724	164,808	155,724	155,724
Other long-term investments - net	2,568,817	4,748,268	2,568,817	4,739,184

<sup>1</sup> FAIR VALUE AT LEVEL 1

The Company sold available-for-sale investments and summarised gain on sales in the profit or loss. The details were as follows:

(Unit: Million Baht)

	Consolidated and Separate financial statements financial statements	
	2020	2019
Sales of investments	204	-
Gain on sales	48	-

Consolidated financial statements								
	Land	Buildings and building improvement	Leasehold improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:								
1 April 2018	-	21,693	28,471	2,844,481	242,543	19,118	81,158	3,237,464
Additions	-	1,197	150	14,681	19,786	7,216	591,351	634,381
Disposals	-	(6,749)	-	(28,087)	(5,702)	(3,189)	(3,730)	(47,457)
Transfer in (out)	-	8,737	12,141	244,735	158	-	(261,522)	4,249
Acquisitions of subsidiaries	18,538	77,551	-	42,374	49,199	6,146	-	193,808
Translation adjustment	-	(292)	-	95	(2,134)	231	(303)	(2,403)
31 March 2019	18,538	102,137	40,762	3,118,279	303,850	29,522	406,954	4,020,042
Additions	-	1,755	2,771	9,505	24,143	11,082	427,601	476,857
Disposals	-	(17,577)	-	(92,112)	(17,730)	(5,470)	(14,546)	(147,435)
Transfer in (out)	-	20,535	11,921	603,663	12,569	-	(655,058)	(6,370)
Acquisitions of subsidiaries	-	119,071	-	-	4,312	5,157	2,922	131,462
Decrease from change in status of investment from subsidiary to associate	(18,538)	(227,430)	-	(1,330,716)	(119,478)	(19,615)	(68,133)	(1,783,910)
Translation adjustment	-	1,509	-	882	2,473	(324)	1,762	6,302
31 March 2020	-	-	55,454	2,309,501	210,139	20,352	101,502	2,696,948

(Unit: Thousand Baht)

Consolidated financial statements								
	Buildings and building improvement	Leasehold improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total	
Land								
Accumulated depreciation:								
1 April 2018	-	10,467	9,599	1,422,295	163,295	12,277	-	1,617,933
Depreciation for the year	-	6,285	3,458	328,445	23,194	3,916	-	365,298
Depreciation on disposals	-	(1,543)	-	(23,100)	(5,462)	(3,027)	-	(33,132)
Transfer in (out)	-	443	(443)	(3,707)	(3)	-	-	(3,710)
Acquisitions of subsidiaries	-	44,034	-	2,229	40,036	2,514	-	88,813
Translation adjustment	-	(41)	-	7	(1,681)	318	-	(1,397)
31 March 2019	-	59,645	12,614	1,726,169	219,379	15,998	-	2,033,805
Depreciation for the year	-	19,668	5,482	353,797	26,264	5,837	-	411,048
Depreciation on disposals	-	(9,225)	-	(75,652)	(10,347)	(4,703)	-	(99,927)
Transfer in (out)	-	(2,094)	-	(1,401)	(1,562)	-	-	(5,057)
Acquisitions of subsidiaries	-	46,034	-	-	2,417	1,418	-	49,869
Decrease from change in status of investment from subsidiary to associate	-	(115,108)	-	(630,702)	(92,342)	(9,940)	-	(848,092)
Translation adjustment	-	1,080	35	2	3,048	(106)	-	4,059
31 March 2020	-	-	18,131	1,372,213	146,857	8,504	-	1,545,705

	Buildings and building improvement	Leasehold improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
-	-	-	-	-	-	4,228	4,228
-	-	-	66,503	-	-	(4,228)	62,275
-	-	-	(56,772)	-	-	-	(56,772)
-	-	-	9,731	-	-	-	9,731
18,538	42,492	28,148	1,392,110	84,471	13,524	402,726	1,982,009
-	-	37,323	927,557	63,282	11,848	101,502	1,141,512

## 1 April 2019

Increase (decrease) during

the year

of investment from subsidiary

( )  
 ( )  
 ( )  
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 -  
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 :

**Net book value:**

31 March 2020

## 2019 (Baht 323 million inclu

2020 (Baht 354 million included in costs of services, and the balance in administrative expenses)

2020 (Baht 354 million included in costs of services, and the balance in administrative expenses)

(Unit: Thousand Baht)

	Separate financial statements				
	Leasehold Improvement	Equipment	Furniture, fixtures and office equipment	Assets under installation	Total
<b>Cost:</b>					
1 April 2018	-	1,685,216	123,817	17,422	1,826,455
Additions	-	236	5,280	352,710	358,226
Disposals	-	(15)	(1,577)	(3,730)	(5,322)
Transfer in (out)	20,724	157,573	207	(178,504)	-
31 March 2019	20,724	1,843,010	127,727	187,898	2,179,359
Additions	-	302	12,584	223,883	236,769
Disposals	-	(12,734)	(3,663)	-	(16,397)
Transfer in (out)	8,796	318,678	1,380	(328,854)	-
31 March 2020	29,520	2,149,256	138,028	82,927	2,399,731
<b>Accumulated depreciation:</b>					
1 April 2018	-	827,394	101,180	-	928,574
Depreciation for the year	32	197,891	9,041	-	206,964
Depreciation on disposals	-	(2)	(1,577)	-	(1,579)
31 March 2019	32	1,025,283	108,644	-	1,133,959
Depreciation for the year	1,095	215,422	9,871	-	226,388
Depreciation on disposals	-	(10,003)	(3,663)	-	(13,666)
31 March 2020	1,127	1,230,702	114,852	-	1,346,681
<b>Allowance for impairment loss:</b>					
1 April 2019	-	-	-	-	-
Increase during the year	-	9,731	-	-	9,731
31 March 2020	-	9,731	-	-	9,731
<b>Net book value:</b>					
31 March 2019	20,692	817,727	19,083	187,898	1,045,400
31 March 2020	28,393	908,823	23,176	82,927	1,043,319
<b>Depreciation for the year</b>					
2019 (Baht 198 million included in costs of services, and the balance in administrative expenses)					206,964
2020 (Baht 215 million included in costs of services, and the balance in administrative expenses)					226,388

As at 31 March 2020, the subsidiaries had motor vehicles with net book value of Baht 11 million (2019: Baht 13 million) which were acquired under finance lease agreements.

As at 31 March 2020, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 620 million (2019: Baht 728 million) (The Company only: Baht 598 million (2019: Baht 384 million)).

## 16. INTANGIBLE ASSETS

(Unit: Thousand Baht)

	Separate financial statements				
	Intangible assets acquired through business combination	Computer software	Royalty	Computer software under development	Total
<b>Cost:</b>					
1 April 2018	427,689	481,056	300	123,842	1,032,887
Additions	-	10,398	-	129,325	139,723
Disposals	-	(92)	-	-	(92)
Transfer in (out)	-	73,711	-	(84,904)	(11,193)
Acquisitions of subsidiaries	576,868	1,217	-	-	578,085
Translation adjustment	(8,991)	(3)	-	-	(8,994)
31 March 2019	995,566	566,287	300	168,263	1,730,416
Additions	-	35,467	-	64,147	99,614
Disposals	(95,123)	(48)	(300)	(447)	(95,918)
Transfer in (out)	-	57,165	-	(55,743)	1,422
Acquisitions of subsidiaries	162,226	896	-	-	163,122
Decrease from change in status of investment from subsidiary to associate	(1,050,871)	(20,584)	-	-	(1,071,455)
Translation adjustment	2,539	(46)	-	-	2,493
31 March 2020	14,337	639,137	-	176,220	829,694
<b>Accumulated amortisation:</b>					
1 April 2018	108,678	275,537	114	-	384,329
Amortisation for the year	66,053	54,240	100	-	120,393
Amortised on disposals / write off	-	(90)	-	-	(90)
Acquisitions of subsidiaries	-	805	-	-	805
Translation adjustment	-	(1)	-	-	(1)
31 March 2019	174,731	330,491	214	-	505,436
Amortisation for the year	139,220	68,996	-	-	208,216
Amortised on disposals / write off	(51,779)	(545)	(214)	-	(52,538)
Transfer in (out)	-	214	-	-	214
Acquisitions of subsidiaries	-	829	-	-	829
Decrease from change in status of investment from subsidiary to associate	(247,873)	(16,909)	-	-	(264,782)
Translation adjustment	38	(22)	-	-	16
31 March 2020	14,337	383,054	-	-	397,391

(Unit: Thousand Baht)

	Consolidated financial statements				
	Intangible assets acquired through business combination	Computer software	Royalty	Computer software under development	Total
<b>Allowance for impairment loss:</b>					
1 April 2019	-	-	-	-	-
Increase during the year	-	47	-	-	47
Decrease from change in status of investment from subsidiary to associate	-	(47)	-	-	(47)
31 March 2020	-	-	-	-	-
<b>Net book value</b>					
31 March 2019	820,835	235,796	86	168,263	1,224,980
31 March 2020	-	256,083	-	176,220	432,303
<b>Amortisation for the year</b>					
2019 (Baht 36 million included in costs of services, Baht 62 million included in servicing and selling expenses and the balance in administrative expenses)					120,393
2020 (Baht 40 million included in costs of services, Baht 139 million included in servicing and selling expenses and the balance in administrative expenses)					208,216

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Computer software under development	Total
<b>Cost:</b>			
1 April 2018	89,527	22,232	111,759
Additions	-	27,627	27,627
Transfer in (out)	3,846	(3,846)	-
31 March 2019	93,373	46,013	139,386
Additions	-	3,999	3,999
Transfer in (out)	37,341	(37,341)	-
31 March 2020	130,714	12,671	143,385
<b>Accumulated amortisation:</b>			
1 April 2018	64,855	-	64,855
Amortisation for the year	11,614	-	11,614
31 March 2019	76,469	-	76,469
Amortisation for the year	16,091	-	16,091
31 March 2020	92,560	-	92,560



(Unit: Thousand Baht)

**Net book value**

31 March 2019

31 March 2020

**Amortisation for the year**

2019 (included in administrative expenses)

2020 (included in administrative expenses)

Separate financial statements		
Computer software	Computer software under development	Total
16,904	46,013	62,917
38,154	12,671	50,825
		11,614
		16,091

**Intangible assets acquired through business combination**

Details of intangible assets acquired through business combination are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Cost		Useful lives
	2020	2019 (Restated)	
Customer list	9,145	9,145	3 years
Internally-developed software	5,192	5,192	3 years
Customer relationship	-	920,227	6 - 30 years
Backlog	-	69,993	Remaining contract periods
Translation adjustment	-	(8,991)	
Total	14,337	995,566	

**17. GOODWILL**

The Group allocated goodwill acquired through business combinations to the cash generating units (CGUs) for annual impairment testing as follows:

(Unit: Thousand Baht)

Consolidated financial statements		
	2020	2019 (Restated)
Point of View (POV) Media Group Company Limited	78,656	78,656
Rabbit Internet Company Limited	157,631	157,631
Master Ad Public Company Limited	-	866,178
Multi Sign Company Limited	-	384,379
Co-Mass Company Limited	-	261,599
Trans.Ad Solutions Company Limited	-	46,722
Roctec Technology Limited	-	105,974
Gold Star Group Company Limited	-	41,813
Total	236,287	1,942,952

The Group determined the recoverable amounts of the CGUs based on value-in-use by preparing projections of the cash flows that are expected to be generated from that group of assets in the future, with reference to financial projections approved by the management. These cash flow projections cover a period of 5 years.

Key assumptions used in value in use of significant CGUs calculation are summarised below:

(Unit: Thousand Baht)

	Point of View (POV) Media Group Co., Ltd.	Rabbit Internet Company Limited
Long term growth rates	1.50%	3.00%
Discount rates	17.00%	10.00 - 11.17%

The management determined growth rates based on historical operation results and expected market growth, inflation rate and discount rates is the rate that reflects the risks specific to each CGU.

The management believes that there is no impairment loss for goodwill.

## 18. TRADE AND OTHER PAYABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables - related parties	117,220	38,827	51,296	33,048
Trade payables	213,342	310,258	21,949	10,306
Accrued interest expenses to financial institutions	2,334	2,653	2,334	2,642
Accrued interest expense - related parties	254	-	-	-
Other payables for purchases of assets - related parties	27,082	-	1,261	65,390
Other payables for purchases of assets	24,159	30,110	13,622	12,284
Other payables from purchases of investments	34,135	40,000	34,113	-
Other payables - related parties	6,417	25,143	259	1,954
Other payables	39,378	50,956	5,801	7,415
Total trade and other payables	464,321	497,947	130,635	133,039

## 19. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

The balances represent unsecured short-term loans from commercial banks carrying interest at the rates of 1.00% to 1.18% per annum (2019: 1.85% to 5.75% per annum). These loans are due at call.

The loan agreements contain several covenants which, among other things, require the subsidiary to maintain debt service coverage ratio at the rate prescribed in the agreements.

## 20. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit: Thousand Baht)

Loan	Interest rate	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2020	2019	2020	2019
1	6M THBFIX plus a certain margin specified in the agreement	Annual installments as from February 2021 to February 2022	700,000	700,000	700,000	700,000
2	Zenginkyo Tokyo Interbank Offered Rate (ZTIBOR) plus a certain margin specified in the agreement	Annual installments as from March 2021 to March 2022	700,000	700,000	700,000	700,000
3	Minimum Loan Rate (MLR) minus a certain spread specified in the agreement	Monthly installments as from November 2015 to October 2021	39,000	89,000	-	-
Total			1,439,000	1,489,000	1,400,000	1,400,000
Less: Current portion			(239,000)	(50,000)	(200,000)	-
Long-term loans from financial institutions - net of current portion			1,200,000	1,439,000	1,200,000	1,400,000

A subsidiary's loan is guaranteed by another subsidiary and director of subsidiary.

The loan agreements contain several covenants which, among other things, require the Group to maintain a certain interest bearing debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and maintain incurrence of additional indebtedness, the major shareholder structure and management structure, and the shareholding in companies stipulated in the agreements.

In order to hedge the foreign exchange rate and interest rate risks associated with the long-term loans, the Company entered into an interest rate swap agreement and a cross currency and interest rate swap agreement to swap the full amount of the loan.

## 21. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits, which represents compensation payable to employees after they retire and other long-term benefits, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Defined benefit plan in respect of severance payments to employees upon retirement		Other long-term employee benefit plan		Total	
	2020	2019	2020	2019	2020	2019
<b>Provision for long-term employee benefits at beginning of year</b>	89,834	74,814	7,504	7,887	97,338	82,701
Included in profit or loss:						
Current service cost	20,000	13,609	4,451	1,063	24,451	14,672
Interest cost	3,571	2,552	232	232	3,803	2,784
Past service cost and losses on settlement	27,145	-	430	-	27,575	-
Included in profit or loss/other comprehensive income:						
Actuarial loss arising from						
Demographic assumptions changes	5,346	-	-	-	5,346	-
Financial assumptions changes	20,712	-	-	-	20,712	-
Experience adjustments	1,546	-	-	-	1,546	-
Acquisitions of subsidiaries	-	8,120	-	-	-	8,120
Decrease from change in status of investment from subsidiary to subsidiary	(42,655)	-	(10,653)	-	(53,308)	-
Benefits paid during the year	(4,485)	(9,067)	(584)	(1,678)	(5,069)	(10,745)
Translation adjustment	(47)	(194)	-	-	(47)	(194)
<b>Provision for long-term employee benefits at end of year</b>	<b>120,967</b>	<b>89,834</b>	<b>1,380</b>	<b>7,504</b>	<b>122,347</b>	<b>97,338</b>

(Unit: Thousand Baht)

Separate financial statements						
	Defined benefit plan in respect of severance payments to employees upon retirement		Other long-term employee benefit plan		Total	
	2020	2019	2020	2019	2020	2019
<b>Provision for long-term employee benefits at beginning of year</b>	40,524	42,084	171	1,207	40,695	43,291
Included in profit or loss:						
Current service cost	5,713	5,245	1,322	296	7,035	5,541
Interest cost	1,657	1,347	35	35	1,692	1,382
Past service cost and losses on settlement	14,188	-	-	-	14,188	-
Included in profit or loss/other comprehensive income:						
Actuarial loss arising from						
Financial assumptions changes	9,273	-	-	-	9,273	-
Experience adjustments	4,436	-	-	-	4,436	-
Benefits paid during the year	(2,708)	(8,152)	(169)	(1,367)	(2,877)	(9,519)
<b>Provision for long-term employee benefits at end of year</b>	73,083	40,524	1,359	171	74,442	40,695

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

Consolidated financial statements						
	Defined benefit plan in respect of severance payments to employees upon retirement		Other long-term employee benefit plan		Total	
	2020	2019	2020	2019	2020	2019
Administrative and selling expenses	50,715	16,162	5,113	1,295	55,828	17,457

(Unit: Thousand Baht)

Separate financial statements						
	Defined benefit plan in respect of severance payments to employees upon retirement		Other long-term employee benefit plan		Total	
	2020	2019	2020	2019	2020	2019
Administrative and selling expenses	21,558	6,592	1,358	331	22,916	6,923

The Group expects to pay Baht 4 million of long-term employee benefits during the next year (Separate financial statements: Baht 4 million) (2019: Baht 2 million (Separate financial statements: Nil)).

As at 31 March 2020, the weighted average duration of the liabilities for long-term employee benefit of the Group is 18 years (Separate financial statements: 18 years) (2019: 14-26 years (Separate financial statements: 19 years)).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.0	3.0-3.4	2.0	3.2
Salary increase rate	6.0-7.0	3.5-10.0	6.0-7.0	6.0-7.0
Turnover rate	2.0-10.0	0-25.0	2.0-10.0	2.0-10.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 March 2020 and 2019 are summarised below:

(Unit: Million Baht)

	As at 31 March 2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(16)	20	(9)	10
Salary increase rate	20	(16)	10	9

(Unit: Million Baht)

	As at 31 March 2019			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(11)	13	(5)	6
Salary increase rate	13	(11)	6	5

On 5 April 2019, The Labor Protection Act (No.7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 28 million (The Company only: Baht 14 million) as a result. The Group will reflect the effect of the change by recognising past service costs as expenses in the profit or loss for the current year.

## 22. SHARE CAPITAL / SHARE PREMIUM

On 9 July 2019, a meeting of the Company's Board of Directors passed the following significant resolutions.

- a) Approved reduction of the Company's registered share capital of Baht 84,100,131.90 from Baht 1,121,046,377.70 (11,210,463,777 ordinary shares of Baht 0.1 each) to Baht 1,036,946,245.80 (10,369,462,458 ordinary shares of Baht 0.1 each), by cancelling 841,001,319 unissued shares of Baht 0.1 each, as detailed below:
  - 1) 484,803,657 outstanding ordinary shares, allocated for accommodating the exercise of the warrants to purchase the newly issued ordinary shares (VGI-W1).
  - 2) 356,197,662 ordinary shares, allocated for accommodating the offering of shares through a private placement under a general mandate, as approved by the 2018 Annual General Meeting of Shareholders.
- b) Approved increase in the Company's registered share capital of Baht 42,805,828.50 through the issue of not more than 428,058,285 additional ordinary shares with a par value of Baht 0.1 each under a general mandate, to be offered through private placements, whereby investors must not be related parties.

The Company registered the decrease and increase in its registered capital with the Ministry of Commerce on 18 July 2019 and 19 July 2019, respectively.

As at 31 March 2020, the Company's issued and fully paid-up share capital increased by Baht 5,448,560.90, from Baht 855,668,009.80 (8,556,680,098 ordinary shares with a par value of Baht 0.1 each) to Baht 861,116,570.70 (8,611,165,707 ordinary shares with a par value of Baht 0.1 each), through the issue of 4,485,609 additional ordinary shares with a par value of Baht 0.1 each to the existing shareholders of ACP as discussed in Note 13.2 to the financial statement and the issue of 50 million additional ordinary shares with a par value of Baht 0.1 each from exercise of the warrants as discussed in Note 23 to the financial statement. As a result, the Company's share premium increased by Baht 537 million, from Baht 12,193 million, totaling Baht 12,730 million.

## 23. WARRANTS

(Unit: Thousand units)

	VGI-W2
Balance as at 1 April 2018	-
Issued (VGI-W2)	1,711,335
Balance as at 31 March 2019	1,711,335
Exercised	(50,000)
Balance as at 31 March 2020	1,661,335

In addition, on 5 July 2018, the Annual General Meeting of the Company's shareholders passed a resolution to issue up to 1,808,296,751 warrants to purchase newly issued ordinary shares of the Company (VGI-W2), to be allocated to the existing shareholders of the Company on a pro rata basis (rights offering), at no cost. Details are as follows:

<b>Issuance date</b>	11 September 2018
<b>Number of warrants granted</b>	1,711,334,815 warrants
<b>Allocation ratio</b>	1 warrant to 5 existing ordinary shares
<b>Term of warrants</b>	4 years from the issuance date
<b>Exercisable date for the first time</b>	The last business day of the first quarter after the issuance date
<b>Exercise ratio</b>	1 warrant per 1 ordinary share
<b>Exercise price</b>	Baht 10 per share

On 31 March 2020, the VGI-W2 warrant holders exercised 50 million warrants to purchase 50 million newly issued ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 10 per share. The Company registered the increase in its issued and paid-up share capital with the Ministry of Commerce on 3 October 2019.



## 24. STATUTORY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

At present, the statutory reserve has fully been set aside.

## 25. DEFICIT

Differences on business combination under common control consisted of differences between the costs of business combination under common control and the sum of the net book values of assets and liabilities of the subsidiaries as at the date of combination.

Deficit from changes in the ownership interests in a subsidiary consisted of deficit from changes in the Company's ownership interests in a subsidiary that do not result in a loss of control and is calculated based on differences between considerations paid or received as a result of the changes in ownership interests in the Company's subsidiary and non-controlling interests of the subsidiaries at the net book value of the subsidiaries as of the date the change occurred. Non-controlling interests of the subsidiaries are measured at the value of the identifiable net assets of the subsidiaries, based on the percentage shareholdings of the non-controlling interests.

## 26. REVENUE FROM CONTRACTS WITH CUSTOMERS

### 26.1. Revenue classification

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
Advertising income	2,479,277	2,338,955	2,422,862	2,216,483
Service income	612,937	420,557	-	-
Others	336,070	280,631	177,139	122,469
Total service income	3,428,284	3,040,143	2,600,001	2,338,952
Revenues from system installation services	104,473	71,800	-	-
Sales	48,641	35,342	-	-

### 26.2 Revenue recognised in relation to contract balances (contract assets and contract liabilities)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Revenue recognised that was included in contract liabilities at the beginning of the year	81,162	56,914	46,973	44,957

### 26.3 Revenue to be recognised for the remaining performance obligations

As at 31 March 2020, revenue aggregating to Baht 510 million is expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers (2019: Baht 181 million) (The Company only: Baht 96 million (2019: Baht 83 million)). The Group expects to satisfy the performance obligations within 10 years (The Company only: 10 years).

## 27. EXPENSES BY NATURE

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Continued operation:</b>				
Salaries and wages and other employee benefits	649,071	535,455	375,670	330,737
Depreciation and amortisation	346,396	311,654	242,479	218,578
Concession fees	281,346	300,392	280,435	318,766
Rental expenses from other operating lease agreements	48,284	42,235	27,662	27,417
Signboard and premise taxes	57,320	63,936	57,040	63,270
Marketing and sales promotion expenses	210,412	173,572	100,611	72,721
Loss on impairment of assets	125,530	-	190,117	-
Doubtful debt expenses	204,562	-	177,622	-
<b>Discontinued operation:</b>				
Salaries and wages and other employee benefits	378,048	302,427	-	-
Depreciation and amortisation	272,868	174,037	-	-
Billboard rental expenses	26,470	23,614	-	-
Rental expenses from other operating lease agreements	168,022	189,565	-	-
Signboard and premise taxes	26,991	17,980	-	-
Marketing and sales promotion expenses	75,408	60,198	-	-
Subcontract	762,927	542,520	-	-
Loss on impairment of assets	56,724	-	-	-
Loss on write - off of assets	67,296	1,907	-	-

## 28. INCOME TAX

Income tax expenses for the years ended 31 March 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Current income tax:</b>				
Current income tax charge	319,284	353,844	221,902	271,826
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(72,465)	(1,953)	(24,313)	3,349
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>246,819<sup>(1)</sup></b>	<b>351,891<sup>(1)</sup></b>	<b>197,589</b>	<b>275,175</b>

<sup>(1)</sup>Baht 214 million (2019: Baht 260 million) under continued operation and Baht 33 million (2019: Baht 92 million) under discontinued operation.

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 March 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax on actuarial loss	(5,521)	-	(2,742)	-
Deferred tax on loss from changes in value of available-for-sale investments	(497,953)	(8,539)	(497,953)	(8,539)
Total	(503,474)	(8,539)	(500,695)	(8,539)

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit before income tax expenses from continued operation	1,102,908	1,304,073	1,252,404	1,473,478
Profit before income tax expenses from discontinued operation	447,676	254,297	-	-
Accounting profit before tax	1,550,584	1,558,370	1,252,404	1,473,478
Applicable tax rate (percent)	20	20	20	20
Accounting profit before tax multiplied by income tax rate	310,117	311,674	250,481	294,696
Utilisation of previously unrecognised tax losses	(18,882)	(2,642)	-	-
Adjustments in respect of deferred tax assets	5,092	(1,537)	-	-
Effects of elimination entries on the consolidation financial statements	1,730	16,437	-	-
Effects of:				
Non-deductible expenses	68,126	6,594	53,134	1,064
Additional expense deductions allowed	(2,920)	(2,087)	(2,175)	(2,122)
Exemption of income	(20,872)	(1,684)	(103,851)	(18,463)
Difference in tax rates of subsidiaries in overseas countries	(7,393)	(6,474)	-	-
Tax losses for the year of subsidiaries which deferred tax assets have not been recognised	29,365	26,135	-	-
Gain on change in status of investment	(110,064)	-	-	-
Share of loss (profit) from investments in joint ventures and associates	(8,781)	4,575	-	-
Others	1,301	900	-	-
Total	(51,238)	27,959	(52,892)	(19,521)
Income tax expenses reported in the statement of comprehensive income	246,819	351,891	197,589	275,175

The tax rate enacted at the end of the reporting period of the subsidiaries in overseas countries is 16.5 to 24%.

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	22,775	2,305	21,713	2,305
Unrealised loss on changes in value of investments	506,492	8,539	506,492	8,539
Provision for long-term employee benefits	24,491	17,861	14,889	8,139
Others	6,667	9,167	6,667	4,092
Total	560,425	37,872	549,761	23,075
<b>Deferred tax liabilities</b>				
Intangible assets acquired through business combination	-	162,854	-	-
Others	4,425	2,748	4,425	2,748
Total	4,425	165,602	4,425	2,748

As at 31 March 2020, the Group had deductible temporary differences and unused tax losses totaling Baht 609 million (2019: Baht 550 million and MYR 5 million) (the Company only: Baht 261 million (2019: Nil)).

The unused tax losses of the subsidiaries amounting to Baht 344 million will expire by 2025.

As at 31 March 2020, the total amount of temporary differences associated with investments in associates for which deferred tax liability has not been recognised, is Baht 615 million (2019: Baht 171 million).

## 29. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

**Basic earnings per share**

Profit attributable to equity holders of the Company

**Effect of dilutive potential ordinary shares**

Warrants offered to existing shareholders (VGI-W1)

**Diluted earnings per share**

Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares

Consolidated financial statements					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2020	2019	2020	2019	2020	2019
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
1,423,940	1,101,243	8,585,959	8,203,748	0.1658	0.1342
	-		43,513		
	1,101,243		8,247,261		0.1335

**Basic earnings per share**

Profit attributable to equity holders of the Company

**Effect of dilutive potential ordinary shares**

Warrants offered to existing shareholders (VGI-W1)

**Diluted earnings per share**

Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares

Separate financial statements					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2020	2019	2020	2019	2020	2019
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
1,054,816	1,198,302	8,585,959	8,203,748	0.1229	0.1461
	-		43,513		
	1,198,302		8,247,261		0.1453

Details of calculation of earnings per share from continued operation for the years ended 31 March 2020 and 2019 are as below.

**Basic earnings per share**

Profit attributable to equity holders of the Company

**Effect of dilutive potential ordinary shares**

Warrants offered to existing shareholders (VGI-W1)

**Diluted earnings per share**

Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares

Consolidated financial statements					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2020	2019	2020	2019	2020	2019
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
926,046	1,103,652	8,585,959	8,203,748	0.1079	0.1345
	-		43,513		
	1,103,652		8,247,261		0.1338

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2020	2019	2020	2019	2020	2019
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	1,054,816	1,198,302	8,585,959	8,203,748	0.1229	0.1461
Effect of dilutive potential ordinary shares						
Warrants offered to existing shareholders (VGI-W1)		-		43,513		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares		1,198,302		8,247,261		0.1453

The exercise price of the VGI-W2 warrants was higher than the average market prices of the Company's ordinary shares for the years ended 31 March 2020 and 2019. Therefore, the Company did not assume conversion of the warrants in the calculation of its diluted earnings per share in the consolidated and separate financial statements.

### 30. 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, which is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. The chief operating decision maker has been identified as Chief Executive Officer.

For management purposes, the Group is organised into business units based on the services they provide, and there are four reportable segments as follows:

- 1) Provision of advertising space in the elevated mass transit system segment ("BTS segment"),
- 2) Provision of outdoor advertising space segment
- 3) Digital service segment, and
- 4) Other segment

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenues and profit information regarding the Group's operating segments for the years.

(Unit: Million, Baht)

	BTS segment		Outdoor segment		Digital service segment		Other segment		Consolidated	
	2020	2019 (Restated)	2020	2019 (Restated)	2020	2019 (Restated)	2020	2019 (Restated)	2020	2019 (Restated)
<b>Revenues</b>										
Revenues from external customers	2,184	2,405	294	265	1,151	529	371	412	4,000	3,611
Inter-segment revenues	76	168	2	-	134	11	10	28	222	207
Total revenues	2,260	2,573	296	265	1,285	540	381	440	4,222	3,818
Adjustments and eliminations	(76)	(168)	(2)	-	(134)	(11)	(10)	(28)	(222)	(207)
Total revenues - net	2,184	2,405	294	265	1,151	529	371	412	4,000	3,611
<b>Results</b>										
<b>Segment profit</b>	1,356	1,608	100	62	420	214	228	267	2,104	2,151
Adjustments and eliminations	4	18	(2)	-	(46)	(5)	(8)	(15)	(52)	(2)
<b>Segment profit - net</b>	1,360	1,626	98	62	374	209	220	252	2,052	2,149
Unallocated income and expenses:										
Other income									298	104
Servicing, selling and administrative expenses									(1,304)	(930)
Share of profit from investments in joint ventures and associates									131	37
Finance cost									(74)	(56)
Income tax expenses									(214)	(260)
<b>Profit from continued operation for the year</b>									889	1,044
<b>Discontinued operation</b>										
Gain on change in status of investment									550	-
Profit (loss)									(135)	162
<b>Profit from discontinued operation for the year</b>									415	162
<b>Profit for the year</b>									1,304	1,206
Loss (profit) attributable to non-controlling interests of the subsidiaries									120	(105)
<b>Profit attributable to equity holders of the Company</b>									1,424	1,101



Transfer prices between operating segments are set out in Note 7 to the financial statements.

For the year ended 31 March 2020, the Group has revenues from top ten major customers in total amount of Baht 1,641 million, arising from BTS, outdoor and other segments (2019: Baht 1,588 million, arising from BTS and other segments)

All revenues from external customers came from Thailand.

### 31. PROVIDENT FUND

The Group and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Group and its employees contribute to the funds monthly at the rate of five percent of basic salary. The funds, which are managed by BBL Asset Management Company Limited and SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year ended 31 March 2020 amounting to Baht 21 million (the Company only: Baht 8 million) (2019: Baht 20 million (the Company only: Baht 8 million)) were recognised as expenses.

### 32. DIVIDENDS

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2018	Annual General Meeting of the shareholders on 5 July 2018	444	0.054
Interim dividends for 2019	Board of Directors' meeting No. 1/2019 on 11 February 2019	342	0.040
<b>Total for the year ended 31 March 2019</b>		<b>786</b>	
Final dividends for 2019	Annual General Meeting of the shareholders on 9 July 2019	462	0.054
Interim dividends for 2020	Board of Directors' meeting No. 1/2020 on 12 February 2020	388	0.045
<b>Total for the year ended 31 March 2020</b>		<b>850</b>	

### 33. COMMITMENTS AND CONTINGENT LIABILITIES

As at the end of reporting period, the Group had commitments and contingent liabilities as follows:

#### 33.1 Capital commitments

As at 31 March 2020, the Group had capital commitments of Baht 205 million (2019: Baht 43 million and MYR 2 million) (the Company only: Baht 182 million (2019: Baht 160 million)), relating to the acquisitions of equipment and computer software, the installation of ticketing systems and information management system, the development of website, the acquisitions of rights and billboards.

#### 33.2 Operating lease commitments

The Group has entered into several lease agreements in respect of advertising spaces, office building spaces, motor vehicles and equipment. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Payable:				
In up to 1 year	29	95	21	25
In over 1 and up to 3 years	17	146	11	19

Under the conditions of the lease agreements for advertising space are committed to pay rental on a monthly basis. One-month deposits were made and will be refunded when the agreements are terminated with the consent of the lessor. The agreements are renewable for every 3 years with rental adjustment made based on current market conditions.

### 33.3 Long-term commitments

- a) The Group had outstanding commitments with respect to the concession fees stipulated in the agreements as follows.
- 1) An agreement with the parent company to obtain a 17-year license to manage and provide advertising spaces on BTS stations, BTS trains and to manage the merchandising areas and marketing activities at BTS stations, including commercial broadcasting through plasma screens and LCD screens
  - 2) An agreement with the parent company granting a license to manage space supporting travel on the Bangkok Mass Transit System project (on stations and connected space of the 2.2 kilometer long Silom extension line, and the 5.25 kilometer long Sukhumvit extension line of the Bangkok mass transit system)
  - 3) Concession agreements for the installation and management of advertising media in buildings with a related company and unrelated companies, whereby it is to install, and manage the provision of advertising through, LCD screens in these buildings
  - 4) Concession agreements for the management and provision of advertising space, and other related agreements

The Group had outstanding commitments with respect to minimum guarantees under concession agreements. Fees are payable as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Fees payable:				
In up to 1 year	57	62	57	54
In over 1 and up to 5 years	163	178	163	144
In over 5 years	189	220	189	220

These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

As at 31 March 2020 and 2019, the details of future rental income of the Group under lease agreements are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Receivable:				
In up to 1 year	172	146	172	146
In over 1 and up to 5 years	274	208	274	208
In over 5 years	158	187	158	187

- b) As at 31 March 2020, the Group had outstanding commitments which future payments are required in respect of service agreements amounting to Baht 139 million (2019: Baht 338 million and USD 2 million) (the Company only: Baht 57 million (2019: Baht 88 million)).

### 33.4 Guarantees

As at 31 March 2020, there were outstanding bank guarantees of approximately Baht 14 million (2019: Baht 21 million, HKD 20 million, and USD 0.2 million) (the Company only: Baht 10 million (2019: Baht 10 million)) issued by banks on behalf of the Group to guarantee contractual performance, electricity use, among others in respect of certain performance bonds as required in the normal course of business. The bank guarantees issued to a subsidiary's suppliers by banks on behalf of the subsidiary are secured by pledges of the subsidiary's fixed deposits.

### 33.5 Litigations

#### 33.5.1 Dispute between Midas Global Media Co., Ltd. ("Midas") (as a claimant) and the Company (as a respondent) on the ground of a breach of contract in relation to the default of Shareholders Agreement

On 25 June 2018, Midas, a former joint venture company between the Company and Deelight Multimedia Co., Ltd. ("Deelight"), submitted a dispute to the Thai Arbitration, Black Dispute No. 37/2561, claiming that the Company was in breach of Midas' Shareholders Agreement dated 5 February 2014 (the "Shareholders Agreement") made between the Company and Deelight, and requiring for damages in the amount of Baht 1,004 million with an interest at the rate of 7.5% per annum.

On 7 February 2020, the Company was notified of the arbitration award dated 5 February 2020, rendered by a majority vote of the Tribunal (2:1), decided that the Company was in breach of contract and that the Company must pay damages to Midas in the amount of Baht 579 million with an interest at the rate of 7.5% per annum from the date of the dispute submission (i.e. 25 June 2018) until completion of payment. On 2 April 2020, Midas filed a motion to the Civil Court to render the judgment enforcing the Company to abide by the arbitration award. Currently, the motion is under the consideration of the Civil Court.

In this regard, the Company and the legal consultant of the Company had a different opinion from such arbitration award and are of the view that the said arbitration award may be both factually and legally deviated. As such, on 5 May 2020, the Company filed the motion to the Civil Court to abrogate the said arbitration award. Currently, the motion is under the consideration of the Civil Court.

As the said dispute has not been final and binding and the executive of the Company is certain that the Company duly complied with its contractual obligations according to the Shareholders Agreement, the provisions from the said dispute thus was not recorded in the financial statements for the current year.

#### 33.5.2 Civil case between Midas (as a plaintiff) and the Company and MACO (as defendants) accusing of wrongful act

On 14 February 2018, Midas filed a civil lawsuit against the Company and MACO accusing the Company and MACO of wrongful act, claiming damages in the amount of Baht 24 million with an interest at the rate of 7.5% per annum, on grounds of the Airtime on 4 LED Billboards Agreement dated 31 January 2017 between Midas and MACO. On 12 September 2019, the Civil Court dismissed the case as the facts which Midas presented to the court did not accountably proved that the Company and MACO jointly committed fraud against Midas which might have caused trading damage. Therefore, it did not constitute a wrongful act against Midas. On 9 January 2020, Midas submitted a motion to appeal and currently, the case is under the consideration of the Appeal Court.

The executive of the Company is certain that the Company did no action that would constitute a wrongful act against Midas. Therefore, there is no reason for the Company to be liable to Midas for any damages.

## 34. FAIR VALUE HIERARCHY

As at 31 March 2020 and 2019, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

**Assets measured at fair value**

Investment in available-for-sale security

Equity instruments

**Liabilities for which fair value are disclosed**

Derivatives

Cross currency and interest rate swap agreement

Interest rate swap agreement

**Asset for which fair value are disclosed**

Investment in associate

Consolidated financial statements			
As at 31 March 2020			
Level 1	Level 2	Level 3	Total
2,413	-	-	2,413
-	37	-	37
-	19	-	19
791	-	-	791

(Unit: Million Baht)

**Assets measured at fair value**

Investment in available-for-sale security

Equity instrument

**Liabilities for which fair value are disclosed**

Derivatives

Cross currency and interest rate swap agreement

Interest rate swap agreement

Consolidated financial statements			
As at 31 March 2019			
Level 1	Level 2	Level 3	Total
4,583	-	-	4,583
-	65	-	65
-	10	-	10

(Unit: Million Baht)

**Assets measured at fair value**

Investment in available-for-sale security

Equity instruments

**Liabilities for which fair value are disclosed**

Derivatives

Cross currency and interest rate swap agreement

Interest rate swap agreement

**Asset for which fair value are disclosed**

Investment in associate

Separate financial statements			
As at 31 March 2020			
Level 1	Level 2	Level 3	Total
2,413	-	-	2,413
-	37	-	37
-	19	-	19
791	-	-	791

(Unit: Million Baht)

	Separate financial statements			
	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment in available-for-sale security				
Equity instruments	4,583	-	-	4,583
<b>Liabilities for which fair value are disclosed</b>				
Derivatives				
Cross currency and interest rate swap agreement	-	65	-	65
Interest rate swap agreement	-	10	-	10

## 35. FINANCIAL INSTRUMENTS

### 35.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash, deposits at financial institutions, investments, trade and other receivables, loan receivable, loan payable, trade and other payables, accrued expenses and advance and deposits received. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade and other receivables and loan receivable. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loan receivable as stated in the statement of financial position.

#### **Interest rate risk**

The Group's exposure to interest rate risk relates primarily to its deposits at financial institutions, investments, loan receivable and loan payable. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

(Unit: Million Baht)

Consolidated financial statements						
As at 31 March 2020						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years			
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	685	-	685 0.05 - 2.00
Bank account for advances received from cardholders	483	-	-	73	-	556 0.38 - 1.76
Trade and other receivables	-	-	-	-	1,061	1,061 -
Short-term loans to related parties	133	-	-	-	-	133 Note 7
Long-term loans to related parties	8	38	84	-	-	130 Note 7
<b>Financial liabilities</b>						
Short-term loans from financial institutions	450	-	-	-	-	450 Note 19
Trade and other payables	-	-	-	-	464	464 -
Accrued expenses	-	-	-	-	561	561 -
Advances received from cardholders	-	-	-	-	515	515 -
Deposits from cardholders	-	-	-	-	87	87 -
Deposits received from rental spaces	-	-	-	-	88	88 -
Long-term loans from financial institutions	-	-	-	1,439	-	1,439 Note 20

Consolidated financial statements						
As at 31 March 2019						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years			
<b>Financial assets</b>						
Cash and cash equivalents	99	-	-	1,397	10	1,506 0.08 - 2.08
Current investments	660	-	-	350	-	1,010 0.90 - 4.46
Bank account for advances received from cardholders	-	-	-	502	-	502 0.375 - 1.75
Trade and other receivables	-	-	-	-	1,528	1,528 -
Restricted bank deposits	61	-	-	-	-	61 0.15 - 1.40
Short-term loans to related parties	218	-	-	-	-	218 Note 7
Long-term loans to related parties	5	46	85	-	-	136 Note 7
<b>Financial liabilities</b>						
Short-term loans from financial institutions	1,700	-	-	39	-	1,739 Note 19
Trade and other payables	-	-	-	-	498	498 -
Accrued expenses	-	-	-	-	883	883 -
Advances received from cardholders	-	-	-	-	489	489 -
Advance received from employers and unearned revenue	-	-	-	-	257	257 -
Deposits from cardholders	-	-	-	-	115	115 -
Deposits received from rental spaces	-	-	-	-	89	89 -
Long-term loans from financial institutions	-	-	-	1,489	-	1,489 Note 20

(Unit: Million Baht)

	Separate financial statements						
	As at 31 March 2020						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	391	-	391	0.05 - 1.00
Trade and other receivables	-	-	-	-	720	720	-
Short-term loans to related parties	220	-	-	-	-	220	Note 7
<b>Financial liabilities</b>							
Short-term loans from financial institutions	450	-	-	-	-	450	Note 19
Trade and other payables	-	-	-	-	131	131	-
Accrued expenses	-	-	-	-	491	491	-
Deposits received from rental spaces	-	-	-	-	88	88	-
Long-term loans from financial institutions	-	-	-	1,400	-	1,400	Note 20

(Unit: Million Baht)

	Separate financial statements						
	As at 31 March 2019						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	480	-	480	0.10 - 1.30
Current investments	507	-	-	350	-	857	1.79 - 4.46
Trade and other receivables	-	-	-	-	790	790	-
Short-term loans to related parties	70	-	-	-	-	70	Note 7
<b>Financial liabilities</b>							
Short-term loans from financial institutions	1,700	-	-	-	-	1,700	Note 19
Trade and other payables	-	-	-	-	133	133	-
Accrued expenses	-	-	-	-	417	417	-
Deposits received from rental spaces	-	-	-	-	89	89	-
Long-term loans from financial institutions	-	-	-	1,400	-	1,400	Note 20



The Group manages its exposure to risk by using derivatives considered appropriate. The details of the interest rate swap agreement as at 31 March 2020 are as follows:

Counter party	Effective date	Contractual maturity date	Notional amount	Interest to pay	Interest to receive	Fair value	
						Loss (Million Baht)	
						2020	2019
The Company	21 March 2017	28 February 2022	Baht 700 million	Fixed rate specified in the agreement	6M THBFIX plus a certain margin specified in the agreement	19	10

#### Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from lending or borrowings, acquisitions of equipment for operations, and financial transactions with overseas companies that are denominated in foreign currencies, and investments in foreign subsidiaries, a joint venture, and associates.

As at 31 March 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2020 (Million)	2019 (Million)	2020 (Million)	2019 (Million)	2020 (Baht per 1 foreign currency unit)	2019 (Baht per 1 foreign currency unit)
Japanese yen	-	-	2,273	2,273	0.3011	0.2872
United State Dollar	5	1	1	1	32.6712	31.8117
Renminbi	4	-	3	-	4.6026	-

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2020 (Million)	2019 (Million)	2020 (Million)	2019 (Million)	2020 (Baht per 1 foreign currency unit)	2019 (Baht per 1 foreign currency unit)
Japanese yen	-	-	2,273	2,273	0.3011	0.2872
United State Dollar	5	-	-	-	32.6712	-
Renminbi	4	-	3	-	4.6026	-

The Group manages its exposure to risk by using derivatives considered appropriate. As at 31 March 2020, the cross currency and interest rate swap agreement is below.

			Amount to pay		Amount to receive			
Counter party	Effective date	Contractual maturity date	Notional amount	Interest rate	Notional amount	Interest rate	Foreign	
							Loss (Million Baht)	
							2020	2019
The Company	21 March 2017	23 March 2022	Baht 700 million (JPY 2,273 million)	Fixed rate specified in the agreement	Amount in foreign currency specified in the agreement	ZTIBOR plus a certain margin specified in the agreement	37	65

### 35.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, investments in debt securities, accounts receivable and short-term loans to related parties, accounts payable, short-term loans from financial institutions and related parties, advances and deposits, their carrying amounts in the statement of financial position approximate their fair value.
- For equity securities, their fair value is generally derived from quoted market prices.
- For long-term loans to related parties carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.
- For long-term loans from financial institutions and related parties carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.
- For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group had considered to counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.

## 36. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that they have appropriate capital structure in order to support their business and maximise shareholder value. As at 31 March 2020, the Group's debt-to-equity ratio was 0.31:1 (2019: 0.37:1) and the Company's was 0.23:1 (2019: 0.29:1).

## 37. EVENTS AFTER THE REPORTING PERIODS

On 29 May 2020, a meeting of the Company's Board of Directors passed the significant resolutions to propose to a meeting of shareholders for consideration a resolution to declare a final dividend for 2020 of Baht 0.061 per share, or a total of not more than Baht 552 million, The Company has paid interim dividends of Baht 0.045 per share, totaling Baht 388 million. The outstanding dividend of Baht 0.016 per share, or a total of not more than Baht 164 million will be paid to the shareholders.

## 38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on 29 May 2020.

# DEFINITIONS

Unless, otherwise specified in this document, the following words shall have the following meanings:

<b>ACP</b>	means	Ads Chaophraya Company Limited
<b>AERO</b>	means	Aero Media Group Company Limited
<b>Airport Rail Link</b>	means	Train Transportation System connecting to Suvarnabhumi Airport
<b>AnyMind Group</b>	means	AnyMind Group Limited and its subsidiaries
<b>Bangkok</b>	means	Bangkok Metropolitan
<b>BMA</b>	means	Bangkok Metropolitan Administration, including other agencies that may have the authority to act on behalf of BMA; in this case, it means Krungthep Thanakom Company Limited
<b>BRT</b>	means	Bus Rapid Transit (BRT) provides the mass transit in the urban and outlying areas by using the special lane separated from the main road, and that makes it speedier than other buses. At present, there are 12 stations with 16 kilometers long, connecting Chong Nontree along Narathiwas Road through Rama III Road to Ratchapruerk, and having the station connecting to BTS at Chong Nonsi Station
<b>BSS</b>	means	Bangkok Smartcard System Company Limited
<b>BSSH</b>	means	BSS Holdings Company Limited
<b>BTS SkyTrain System</b>	means	MRT Green Line Project and MRT Green Line Extensions
<b>BTSC</b>	means	Bangkok Mass Transit System Public Company Limited
<b>BTSG</b>	means	BTS Group Holdings Public Company Limited
<b>Company / VGI</b>	means	VGI Public Company Limited
<b>Concession Agreement</b>	means	Bangkok Mass Transit System Concession Agreement between the BMA and BTSC for the operation of the MRT Green Line Project and/or the service of the MRT Green Line Extensions
<b>Digital Media</b>	means	Multimedia
<b>DPT</b>	means	Demo Power (Thailand) Company Limited
<b>EBIT</b>	means	Earnings before interest and taxes
<b>EBITDA</b>	means	Earnings before interest and taxes, depreciation and amortisation
<b>iClick</b>	means	iClick Interactive Asia Group Limited
<b>Kerry</b>	means	Kerry Express (Thailand) Public Company Limited
<b>MACO</b>	means	Master Ad Public Company Limited
<b>Media Agency</b>	means	Advertising agency who provides strategic planning for use of various types of media as well as media budget planning and media usage decision making of the owners of goods and/or services
<b>Member of the Executive Committee</b>	means	Member of the Executive Committee, who may be or may not be the Company's directors
<b>Modern Trade</b>	means	Modern retail stores characterised by countrywide network such as Tesco Lotus and Big C
<b>MRT</b>	means	M.R.T. Chaloem Ratchamongkhon, connecting from Hua Lamphong and Bang Sue, with combined track length of 20 kilometers, totaling 18 stations and having the station connected to 3 BTS stations i.e. Sala Deang station, Asoke station and Mo Chit station
<b>MRT Green Line Extensions</b>	means	Extension lines from the MRT Green Line Project to which BTSC provides the operational and maintenance services to Krungthep Thanakom, covering (i) the Silom Line Extension with a combined track length of 7.5 kilometers, (ii) the Sukhumvit Line Extension with a combined track length of 5.25 kilometers, (iii) the MRT Northern Green Line Extension with a combined track length of 18.4 kilometers and (iv) the MRT Southern Green Line Extension with a combined track length of 12.8 kilometers

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<b>MRT Green Line Project</b>	means	The original mass transit line in Bangkok covering 23 stations with a combined track length of 23.5 kilometers, i.e. the Silom Line covering 7 stations with a combined track length of 6.5 kilometers (including Siam station), connecting National Stadium station and Saphan Taksin station and the Sukhumvit Line covering 17 stations with a combined track length of 17 kilometers (including Siam station), connecting Mo Chit station and On Nut station
<b>MRTA</b>	means	Mass Rapid Transit Authority of Thailand
<b>Multimedia</b>	means	Advertising media which can present static picture, movie and sound in the form of short advertising film broadcasted on the digital screens, such as plasma screen, LCD screen, LED screens etc.
<b>PBSB</b>	means	Puncak Berlian Sdn. Bhd.
<b>PLANB / PlanB</b>	means	Plan B Media Public Company Limited
<b>POV</b>	means	Point of View (POV) Media Group Company Limited
<b>Rabbit Group</b>	means	Bangkok Smartcard System Company Limited and BSS Holdings Company Limited
<b>Right to Advertise in the Office Building Agreement</b>	means	LCD screens installation and management in office building agreement, being granted to the Company for management of the advertising space in the passenger lifts, hall way and lobby of the office buildings
<b>Right to Manage Marketing Services in the BTS Sky Train System</b>	means	License to Manage Marketing Services Agreement entered with BTSC, for granting to the Company the exclusive right to manage the advertising space and merchandising area in the MRT Green Line Project, and Agreement on the License to Manage Promotional Space for the Commutation on the Bangkok Mass Transit System Project with BTSC, for granting to the Company the exclusive right to manage the advertising space and merchandising area in the Silom Line Extension and the Sukhumvit Line Extension i.e. Krung Thonburi station, Wongwian Yai station, Bang Chak station, Punnawithi station, Udom Suk station, Bang Na station, and Bearing station
<b>RLP</b>	means	Rabbit LINE Pay Company Limited
<b>SEC</b>	means	Securities and Exchange Commission
<b>SET</b>	means	Stock Exchange of Thailand
<b>Silom Line Extension</b>	means	The 7.5 kilometers extension of Silom Line, comprising of 6 stations, connecting Saphan Taksin station and Bang Wa station
<b>Static Media</b>	means	Static picture, such as vinyl sign, light box, Trivision, escalator gateway
<b>Sukhumvit Line Extension</b>	means	The 5.25 kilometers extension of Sukhumvit Line, comprising of 5 stations, connecting Bang Chak station and Bearing station
<b>TCSB</b>	means	Titanium Compass Sdn. Bhd.
<b>VGI Group</b>	means	VGI Public Company Limited and its subsidiaries
<b>VGIAD</b>	means	VGI Advertising Company Limited
<b>VGI-W1 / VGI-W1 Warrants</b>	means	Warrants to Purchase the Newly Issued Ordinary Shares of the Company No. 1 (VGI-W1)
<b>VGI-W2 / VGI-W2 Warrants</b>	means	Warrants to Purchase the Newly Issued Ordinary Shares of the Company No. 2 (VGI-W2)
<b>VGM</b>	means	VGI Global Media (Malaysia) Sdn. Bhd.



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