

Form 56-1 One Report 2021



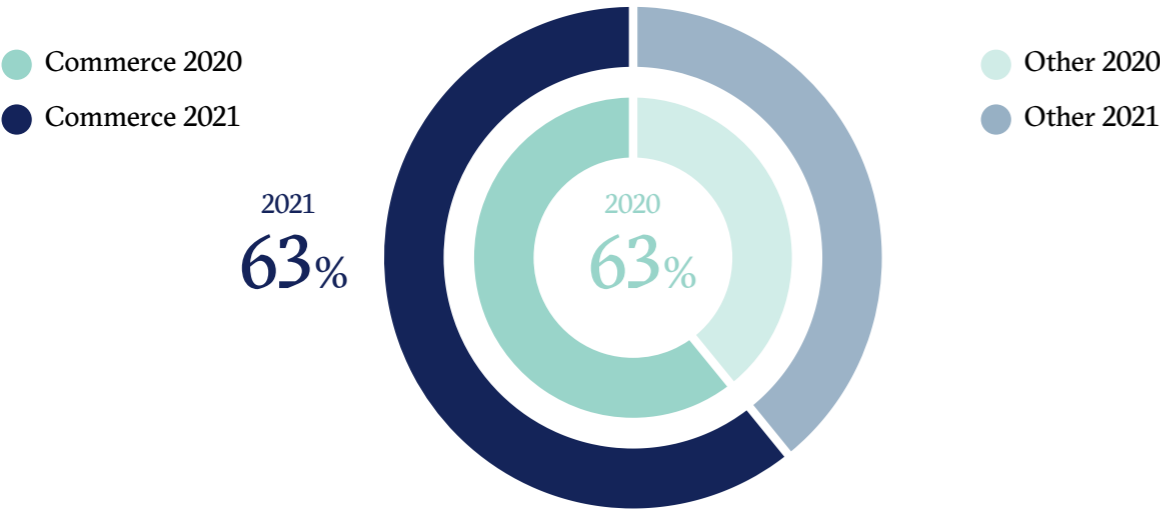
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Operating Highlight

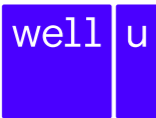
Strengthened commerce business for diversified and resilient revenue streams in the future



Strive to be “Wellbeing Partner”, focusing on health products

Over **30** SKUs

Led by Lifestar for Thai wellbeing



Lifemate

Continued growing channels to reach target groups of

1.7
Million People

RS Mall application



Direct sale/Lifestar link

LIFESTAR★

Offline



Built on solid foundation of entertainment business to further access broader population in Thailand of over

50

Million People Nationwide



COOLISM



RSIAM
kamikaze
RoseSound

Enhancing the ecosystem with business alliances

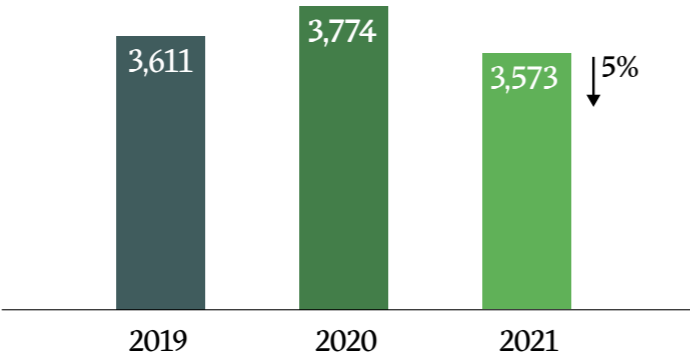
CHASE

Operating Highlight

Revenue

(THB Million)

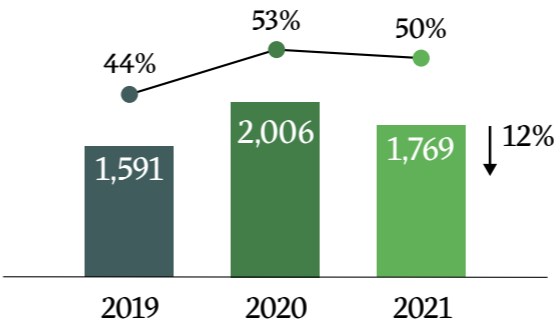
Despite the challenging situation, revenue slightly decreased in 2021



Operating profit

(THB Million)

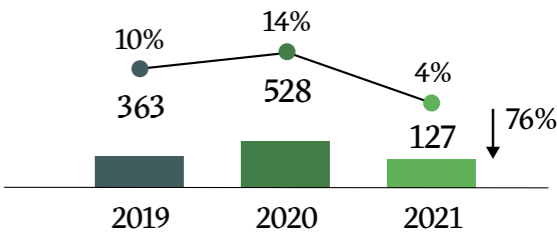
By decreasing in commerce and entertainment revenue



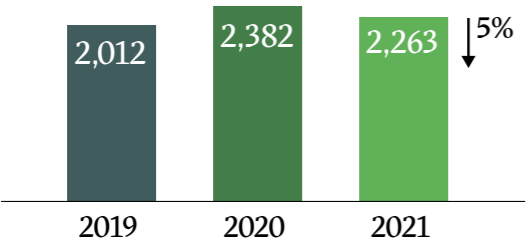
Net profit

(THB Million)

Tapered off in the short term due to negative external factors and expenses edged up from the development of new brands and products



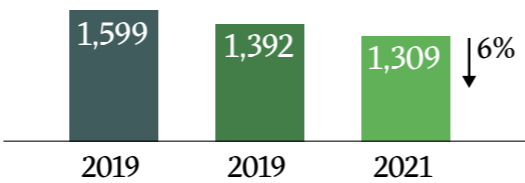
Commerce business



As the prolonged COVID-19 pandemic caused consumer purchasing power to weak

Adapt fast to boost sales through online channels and offer a variety of products and expand to new market

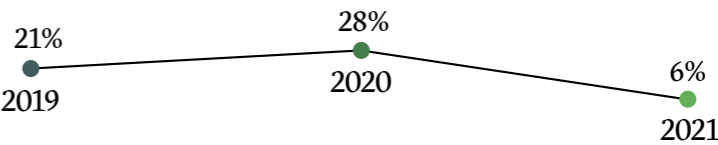
Entertainment business



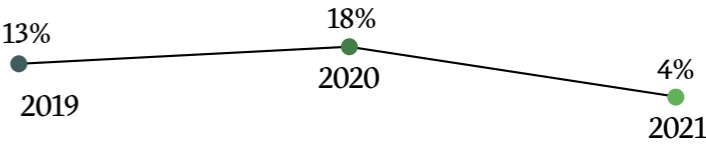
By falling advertising spend and unable to organize concerts or activities throughout the year

Initiated and developed new contents through online platform

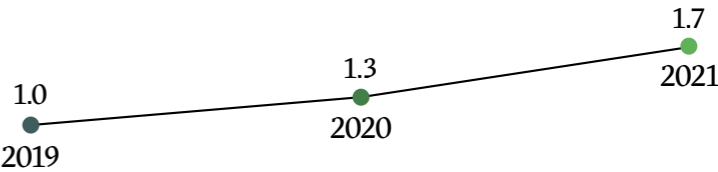
Return on Equity (%) ROE



Return on Asset (%) ROA



Debt to Equity (Time)



Temporary decline in ROE and ROA due to short-term impact of Covid-19 outbreak, affecting FY2021 earnings

Performance Highlights Sustainability

Inspiring and delivering knowledge through entertainment solutions to fulfill quality of life sustainably

“Corporate Governance”



“RS Group United to Fight Against Corruption”
RS declared its intention to join the Thai Private Sector Collective Action against Corruption (CAC) which is expected to be certified as member within 2022.



Moreover, RS officially announced its **“No Gift Policy”** in 2021.

100% of existing and new employees gained knowledge and passed the assessment.

“Economy”



“well u - Turning Crisis into Opportunities”
RS offered everyone a chance to be a business owner without initial investment or subscription fees and no need to keep inventories or deliver products yourself while providing sales coaching team that helps create more than 700 jobs for the people.



“Voice Analytics – Customer inside from their voice “
RS analyzes voice of customers to understand their true needs to create innovative products and services and increase the chance of repeat purchases of over 2 times a year.

“Society”



“RS Self-Isolation Care Box – Packed with Hearts”
RS helped alleviate difficulties from the COVID-19 situation by offering Thong-Eak, Andrographis paniculate capsules, and other necessary medical supplies to “green” COVID-19 patients who have mild symptoms for their home isolation for over 2,800 households.



“RS Mall Extending Lives for Community Hospitals Across Thailand”
A portion of revenue from all RS Mall purchases from 1-30 September 2021 was contributed to buy medical equipment for 5 hospitals in need to pass on its care for Thai people nationwide during the hard time.



“AIS 5G x RS Mall - Creating Virtual Mall Experience Under COVID-19”
RS jointly developed innovation with suppliers in response to consumer behavior in the new normal with the launch of a virtual mall “RS Mall” on V-Avenue under collaboration with its partner AIS 5G. This was one of key initiatives that drove 3% increase in online sale revenue.

“Environment”



“Paper Merci..Separate, Exchange, Conserve”
RS encouraged employees to sort waste and bring used paper for recycling. Over 9,000 kilograms of paper recycled with 6,000 kilograms of carbon dioxide emissions reduced and 150 trees saved.



“RS Group Building , Energy-Saving Building”
Under “Open Space” concept with the design stressing the use of glasses as main material with rhythmic opening and closing to reflect harmony and allow maximum natural light, 5% saving in electricity consumption from base year is targeted for this spacious, comfortable and relaxing space.



MESSAGE FROM CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The year 2021 was marked with challenges from the prolonged and severe COVID-19 pandemic that consumers and business sector have been facing for the past 2 years which has adversely impacted every part of the economy and the society. Economic activities were constrained from the measures to control the outbreak for many months which hurt consumer confidence and led to more careful spending. Moreover, the situation was the driving force for the new normal of consumer behavior that they spend more time online and become more health conscious. This is considered an opportunity and an advantage for companies that can adapt fast to the change to create growth in the long run.

The past year is considered the year of investment for RS Public Company Limited to lay a strong foundation for sustainable growth including new product development and new brand introduction to enhance competitiveness to be a leader in healthcare product market as well as expanding target customers to new markets with high growth potential. The newly launched products include a premium collagen dietary supplement and a hemp seed supplement under “well u” brand, a functional drink under “CAMU C” brand, and products for pets under “Lifemate” brand. The Company intends to be “Wellbeing Partner” for consumers of all genders and age groups. In addition, the Company has continuously expanded its ecosystem with speed through the acquisition of 35% shares in Chase Asia Company Limited to generate new revenue streams from new business including personal lending and debt collection to further create synergy from the strengths of each company. Besides, the Company also acquired 70% ownership of Fourth Apple Company Limited to elevate the development of new forms of content for RS and prepare the Company for the digital economy. 2021 was characterized by consistent vertical and horizontal growth of the Company throughout the year.

To respond to digital trends, the Company has developed Popcoin which is a smart marketing platform using blockchain technology to enhance work performance, create marketing opportunities and deliver benefits to all stakeholders including content developers, sponsors and

consumers. At the same time, the Company has expedited revenue generation through online channels of all business units to address current consumer trends through the development of RS Mall application on smartphones to facilitate online shopping to be simpler and faster. In addition, the Company has developed new content from entertainment business to extend to leading online streaming platforms in Thailand and overseas. Thanks to its transformation of business model to take on challenges from external situations, the Company managed to maintain satisfactory profitability as the Company reached total revenue of THB 3,573 million with net profit of THB 127 million in 2021.

For next steps, the Company is in active pursuit of its Entertainmerce Model to grow its business in all dimensions for both commerce and entertainment business from the investment and development in the previous year. Regarding commerce business, sales growth will be derived from products and brands while the Company has a plan to launch new products under existing brands of over 28 SKUs including products from hemp seed extracts and CBD. For entertainment business, the Company will generate revenue from development of new forms of content through online channels, creation of digital assets (NFT) and revenue from activities and concerts that is likely to resume after the COVID-19 situation improves. Moreover, the smart marketing platform “Popcoin” is deployed to add value to activities and create new benefits and privileges for future content. The Company also planned to collaborate with international K-Pop business to produce content and activities in new formats to cater to younger consumer groups. The goal of these business developments is to achieve “Seamless Customer Experience” and “Seamless Big Data” within the group of companies.

Apart from performance growth creation, the Company attaches significance to sustainable business conduct in different dimensions by adopting sustainability framework and integrate it as a part of the organizations strategic plan to address expectations of all stakeholders

across the business value chain from upstream to downstream as well as being aware of impacts on them. This resulted in the Company being selected from the Stock Exchange of Thailand to be one of the securities included in the 2021 Thailand Sustainability Investment (THSI). It is the Company's pride to be ready to strengthen its economic might alongside social and environmental responsibility to grow together with all stakeholders in a balanced and sustainable manner.

On behalf of the Board of Directors, I would like to thank shareholders, business partners, customers, government agencies and all stakeholders for your longstanding trust and support as well as all executives and employees for your devotion in performing your duties and facing all situations especially during the most challenging time of the Company. Please rest assured that the Company is committed and dedicated to conducting business in compliance with good corporate governance principles to build a strong foundation for sustainable growth in the future.

Mr. Surachai Chetchotisak
Chairman and Chief Executive Officer
RS Public Company Limited



Entertainmerce Model

Strengths of existing commerce business and entertainment business are combined to generate growth through diverse multi-platform channels for 3 businesses as follows.

1. Commerce Business – Aspiring to be “Wellbeing Partner” for Thai people, the Company focuses on product and service innovation to promote consumer health and deliver growth from Multi-Platform Commerce to reach customers through diversified channels and expand to new markets to extend revenue base. Commerce business can be classified into 2 business lines as follows:

Distribution Channel – RS Mall conducts marketing and distributes products and services through multi-platform commerce channels both offline and online to reach all target customer groups with diverse purchasing behavior of consumers. A wide variety of products of over 600 items are offered from health, beauty and fashion to electrical and household appliances and others from Lifestar and business alliances.

Product Development – Lifestar develops products that focus on health and beauty using modern innovation that meets international standards together with a good understanding of healthcare needs. This enables Lifestar to develop premium quality products that are differentiated and responsive to consumer needs to become champion products with constant growth in the market and potential expansion in new markets.

2. Media Business – Leveraging on the expertise from over 40 years in media and entertainment business as a strong foundation for the new Entertainmerce Model, the media business of RS can be categorized per following:



TV Media – Channel 8 TV station is a leading digital TV with news, sports and dramas offered online through prominent OTT platforms to cater to lifestyles of consumers in the digital age.



Radio Media – COOLfahrenheit 93 FM is the No.1 radio station with the highest number of audiences and continuous expansion through online channels including website and Coolism application



3. Music and Other Businesses – The Company creates music through 3 major record labels namely, RoseSound, Kamikaze and RSiam under “Music Star Commerce” business model and generates revenue from online streaming via different platforms as well as investing in Fourth Apple Co., Ltd. to further develop and produce online content and international events. This will broaden customer base to new customer groups and build on existing commerce business and entertainment business to grow digital business in the future.

Commerce Business

Commerce business engages in development, marketing and distribution of products and services under 2 subsidiaries per following.



LIFESTAR

Lifestar Company Limited (“Lifestar”) is a product developer who deploys original equipment manufacturers (OEMs) model to produce health and beauty products to address consumer healthcare needs using efficient and modern innovation that meets international standards. Currently, there are more than 30 products available in the market that can be grouped into 4 major brands to fulfill “innovative wellness” concept in different dimensions as listed below.



well u is a combination of innovation and natural ingredients for holistic healthcare catered to new generations of consumers.



Vitanature+ focuses on herbal extracts sourced around the world to promote health for consumers who prefer natural ways of healthcare using superior extraction technology



CAMU C is a functional drink with showcases innovation and superior natural properties to offer good health for daily lives.



Lifemate is a product for pets that take care of both their physical and mental wellness holistically using high-quality and human grade ingredients with international standards



In 2021, Lifestar launched new products that respond to health-conscious consumers under the COVID-19 outbreak and the new normal as follow.

- Dietary supplement with collagen under “well u” brand which contains premium collagen and 6 key ingredients to take care of hair, skin, bones and joints.
- Functional drink under “CAMU C” brand which is juice mixed with CAMU CAMU vitamin C 200% and vitamin B12 to target mass market with wellbeing as a selling point that is consistent with health-conscious trends of consumers nowadays.
- Andrographis paniculate herbal extract under “Thong-Ek” brand with a property of fever relief, popular during the COVID-19 outbreak.
- Pet food for dogs and cats under “Lifemate” brand targeting upper standard segment with over 54 SKUs to promote health of each type of pets and different formulas for different breeds, age ranges, and activities.
- Dietary supplement Multi Oil Plus - Hemp Seed Oil under “well u” brand that helps boost the immune system and promote holistic health as well as sleep efficiency.



RS MALL

RS Mall Company Limited (RS Mall) manages distribution channels for products and services focusing on health and beauty solutions that promote quality of life with the aspiration to become “Wellbeing Partner” of everyone. The product offering includes healthy products, beauty, fashion, electrical appliances, household appliances and pet food from Lifestar and other business partners of over 600 items to be distributed under multi-platform commerce model.



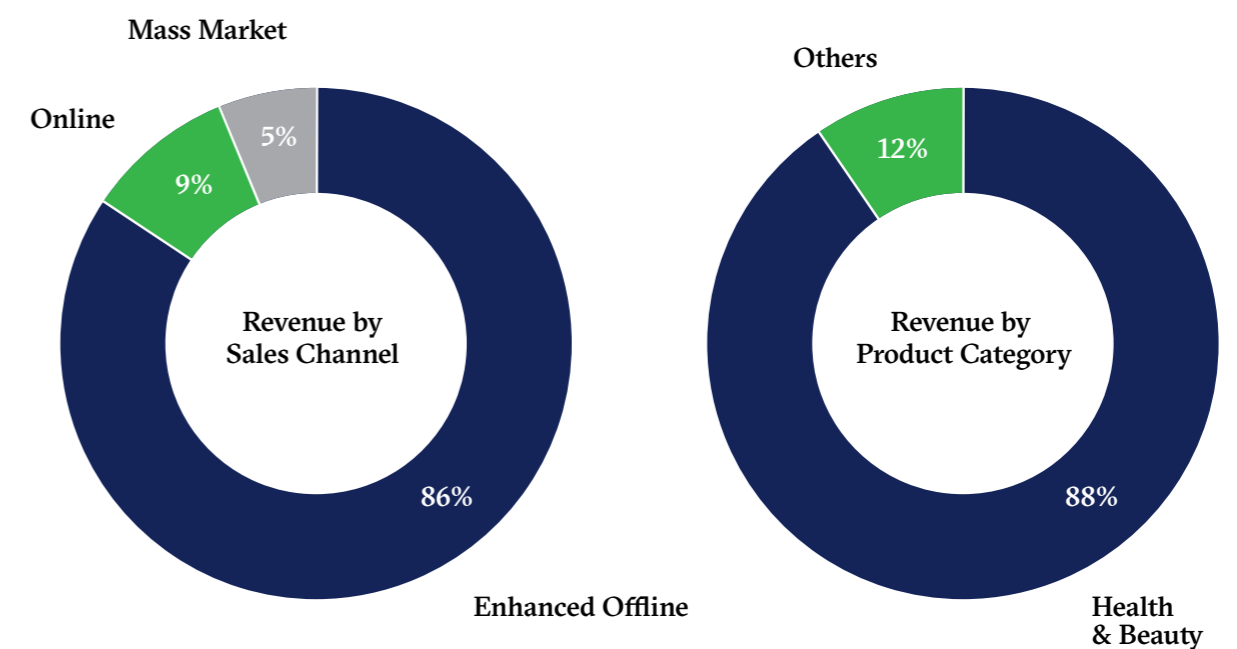
Distribution channels cover offline channels such as digital TV through Channel 8 and other channels of alliances; RS Mall Channel through a satellite TV; telesales team of over 500 people;



Online channels including the website www.rsmall.co.th, LINE Official Account @RS Mall, RS Mall application and COOLISM Application; and other leading online platforms such as Shopee and Lazada. Currently, RS Mall has a customer base of over 1.7 million people.



The COVID-19 outbreak has led to changing consumer behavior to adapt to the new normal. Therefore, the Company has expanded its distribution to online platforms by launching RS Mall application on smartphones to accommodate online shopping with simple and fast ordering. Moreover, RS Mall was also premiered on V-Avenue by AIS 5G to create virtual shopping experience for customers. These moves are considered the expansion of sales channel to new markets to reflect its “Wellbeing Partner” positioning for Thai people. As a result, revenue from online channels rose to 9% of total commerce revenue at the end of 2021.



Media Business

With the expertise from over 40 years in media and entertainment business, RS has a strong foundation for the new Entertainmerce Model and RS Group's media business can be categorized per following



CH8

TV Media “Channel 8” TV station is one of the leading TV stations in Thailand with outstanding content quality and an extensive audience base of 8 million people nationwide, operated under the slogan “Everyone is watching Channel 8, Press 27” that caters to the majority of TV audience in Thailand. Channel 8 is a free TV that reaches broad viewers of different genders and age groups and adopted “Four-legged Chair” strategy to generate growth through 4 main sources of revenue namely, revenue from commercial air time from external customers, revenue from commercial air time of RS Mall, revenue from content rights from existing inventories and new content and revenue from organizing events.

Despite the contracted advertising industry under the COVID-19 pandemic, Channel 8 managed to grow at the level higher than the industry thanks to the planning of diverse content to serve different viewers at different times of the day as well as the elevation of 3 main types of content which are news, sports, and dramas. Moreover, the Company also generates revenue from selling content to leading online platforms, both local and international, to respond to consumer behavior at present such as WeTV and AIS PLAY.



COOLISM

Radio Media – COOLfahrenheit radio station broadcasts through FM 93.0 MHz and online channel at www.COOLISM.net as well as online application COOLISM on smartphones with a combined viewership of over 4 million listeners per month. The radio station is operated under the concept “Music Lifestyle Content” led by the professional COOLJ team with their unique characteristics that earn COOLfahrenheit the No.1 radio station by popularity for almost 2 decades. At present, the station emphasizes the expansion of audience base to new generations who grow up in the digital age through streaming platforms and activities that respond to lifestyles of new generations, e.g., the distinctive COOL Outing and Ink Eat All Around. Nevertheless, organizing such events was impacted by the severe and prolonged COVID-19 outbreak throughout the year in 2021 while the Company expects that all activities will resume after the COVID-19 situation subsides.



Music and Other Businesses



RS MUSIC

RS offers a variety of songs and music selections serving target customer groups of all ages under the operations of 3 record labels namely, RSIAM, RoseSound and Kamikaze. Artists under these record labels are talented with high potential to support its Entertainmerce Model. Additional revenue generation will be from merchandise sales through commerce business as well as revenue streams from sponsorships of brands who require songs and artists as a part of their marketing plans of their products and services.



Given the trending consumer behavior to listen to music through streaming platforms in the digital age, the Company expanded its channel to deliver revenue from copyrights of songs on famous streaming applications such as Apple Music, JOOK and Spotify as well as developing and creating new formats of content on social media with its fan base of over 40 million subscribers. This has led to continuous growth in revenue from online channels.



POPCOIN

Online Media and Popcoin Smart Marketing Platform

The Company made an investment to acquire 70% ownership of Fourth Apple Company Limited (4th Apple), a consultancy and agency for online marketing with an expertise in sourcing and production of international content and events. 4th Apple engages in creating and developing key opinion leaders (KOL) and influencers to be a key catalyst for RS Group to formulate strategies on the development of new content and fulfill the ecosystem of the Company under Entertainmerce Model to be fully functional.



Furthermore, 4th Apple is also the developer of Popcoin which is a smart marketing platform leveraging on blockchain technology to create value added for both commerce business and entertainment business. Popcoin digital token was invented as a medium of exchange for transactions on the platform with the purpose to elevate and enhance effectiveness of marketing of brands as well as being a medium to connect commerce business and entertainment business to deliver seamless consumer experience. More details on Popcoin can be found in white papers at www.popcoin.co

Key development 2019-2021

2019

March



Changed the sector listed in the Stock Exchange from “Media and Publishing” to “Commerce” to be aligned with future business directions

November



Rebranded “Shop 1781” to “RS Mall” and extended distribution channels to new platforms including On Air and online

2020

February



Adopted Entertainmerce Model that combines strengths of entertainment business and commerce business to differentiate and enhance competitiveness

June



Launched COOLism application under the concept “Enjoy Music and Shopping in One App” to turn listeners into customers with new and unique shopping experience

November



Introduced Vitanature+, a dietary supplement with herbal extracts which are accessible by broader consumers at affordable prices, suitable with the COVID-19 situation



Debuted 9 new artists and founded 2 new record labels “RoseSound” and “Kamikaze” and grow revenue from “Music Star Commerce” model

Key development 2019-2021

2021

February



Acquired 35% in Chase Asia Company Limited who operates in NPL asset management, personal loan and debt collection business with the investment of THB 920 million to amplify Entertainment Model

March

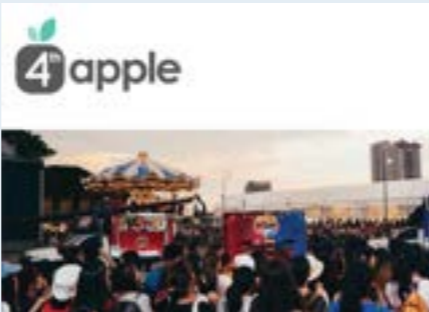


Launched “Thong-Ek” brand to expand to traditional herbal medicine market



Launched “well u” to extend to dietary supplement starting with the introduction of a premium collagen as the first product under the brand

April



Acquired 70% shares in 4th Apple Company Limited who operates in integrated online marketing services and consultancy to enhance digital capabilities of the Entertainmerce Model



Introduced a functional drink under “CAMU C” brand to target mass market

August



Established RS Plan B Company Limited as a joint venture with Plan B Media Public Company Limited to develop and market products and services to mass market

November



Launched Popcoin Smart Marketing Platform using blockchain technology to expand the business toward digital economy and promote seamless consumer experience that creates value added across RS group



Premiered “Lifemate” brand to develop and distribute products for pets

Entertainmerce Model

Business Growth Under Entertainmerce Model

Products & Services

The Company aims to offer more variety of products and services focusing on development of health and beauty products with strong brands that continuously grow while introducing new brands to cater to mass market such as “CAMU C” vitamin C drink for health, “well u” premium collagen supplement and “Lifemate” pet products. The Company is also active in searching for growth opportunities with business alliances to extend its offering of new products and services in a continuous manner.

Production

The Company emphasizes the development of product innovation that meets international standards through the operations under Lifestar which is positioned as the “Innovative Wellness Product Company” who initiates ideas and conducts R&D for new products that can better reach target customers of all age groups as well as expanding its sales footprint to multiple channels. Lifestar is committed to enhancing lives and health of people and pets through health innovation that address healthcare needs of people and pets in all aspects.

Channels

The Company continues to diversify its distribution channels under multiple-platform commerce model to tap into all customer segments through on air, online and over 500 telesales staff as well adding more points of sales through collaboration with business partners which will further promote distribution coverage. Strengths of the channels are key to drive commerce business toward exponential growth.

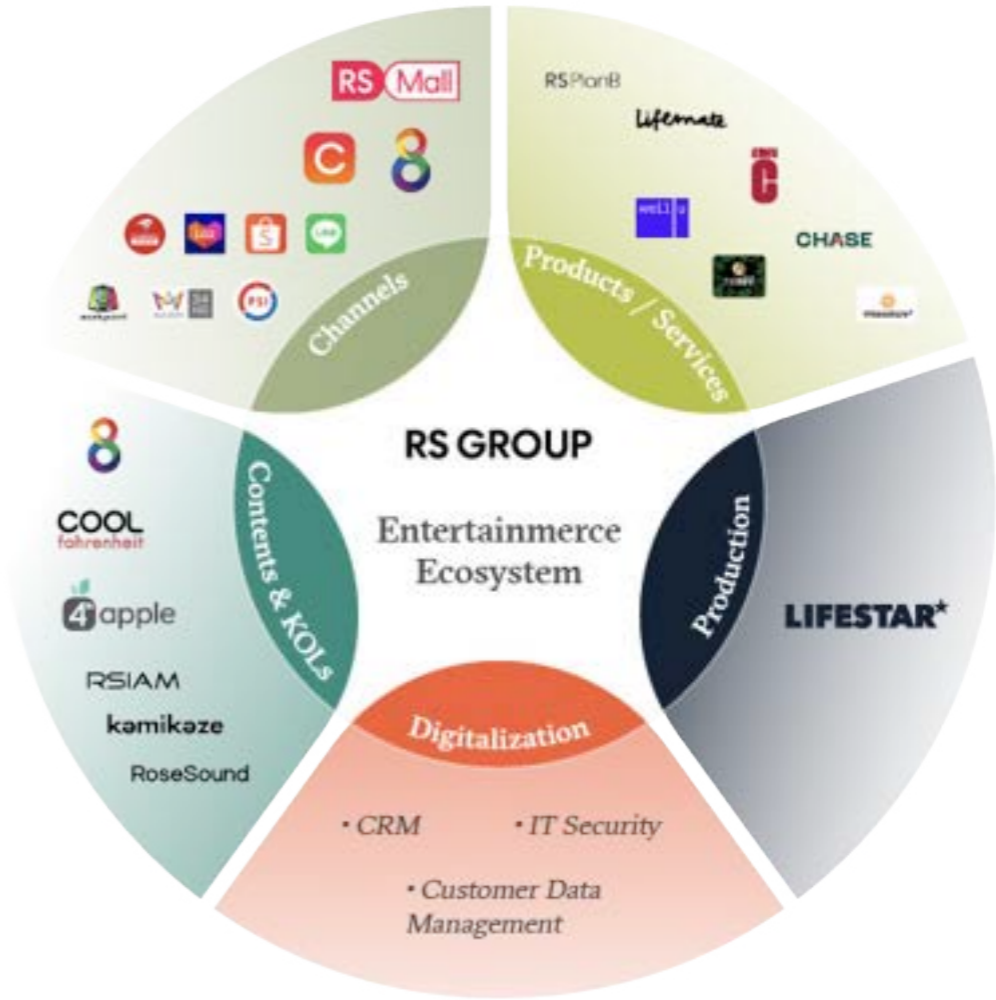
Contents & KOLs

The Company generates growth of its content business through revenue from digital channels as well as new sources of revenue from content creation. With large content inventories from media business, additional revenue can be derived from selling copyrights to different online platforms (Over the Top: OTT), in line with lifestyles of new generation consumers in the digital era. Plus, capabilities from Fourth Apple Company Limited will supplement the business from online content development and marketing using KOLs and influencers.

Digitalization

The Company intends to build digital business based on the foundation of existing business both commerce and entertainment; for example, cryptocurrency development to be used in RS ecosystem like Poincoin smart marketing platform that applies blockchain technology to create value added for all business units; and development of new digital products and services under this platform. Moreover, the Company strives to enhance sales effectiveness through CRM (Customer Relationship Management) and big data by applying data analytics to manage and analyze customer data so that the Company can offer products and services that precisely meet requirements of customers as well as increasing repeat purchase rate and cross-selling to boost sales further.

Growth Direction of Entertainmerce



- **Channels**
 - Exclusive Distribution Network (EDN)
 - Outlet / Shop
 - Traditional Trade
 - Modern Trade
- **Products / Service**
 - Mass Market Products
 - Hemp
 - Pet Food
 - Financial Services
 - New SKUs
- **Production**
 - OEM&Manufacturer
- **Digitalization**
 - Digital Asset
 - Big Data
 - Tokenization
 - Popcorn Smart Marketing Platform
- **Contents & KOLs**
 - K-Pop Shows / Contents
 - International Contents
 - New Online Contents / Program
 - Potential Partnership



Section

1

Business and Operating Performance



1) STRUCTURE AND BUSINESS OPERATIONS OF THE GROUP

1.1) Policy and Business Overview

RS Public Company Limited (“RS” or “Company”) was founded in 1976, starting from an integrated music business before being converted into a public company and listed on the Stock Exchange of Thailand in 2003 with a registered capital of THB 560 million. The Company subsequently changed its name to “RS Public Company Limited”. As of 31 December 2021, the Company’s issued and paid-up capital was 972,496,946 shares, with a par value of 1 baht per share. The Company has expanded continuously since and built on the music business to expand into radio media, television media and event business. During 2014, the Company commenced its development and distribution of health and beauty products and advertised through a digital TV channel, “Channel 8” and its radio media platforms, including product launches online and via modern trade. Besides, the Company has developed a telemarketing system that analyzes customer data to recommend products and close sales, as well as a more effective after-sales support system. Until recently, the Company continues to develop and expand its distribution channels through the Company’s commerce business and has collaborated with various partners who are manufacturers and importers of products to offer a wide variety of products for health and beauty, as well as personal appliances and household products, including various high-tech products or gadgets. Thanks to changing lifestyles and shopping behavior of consumers toward online channels which have been enjoying higher growth than other channels, the Company began to extend its distribution footprint to online platforms. In 2021, RS Mall application and Virtual Mall were premiered under collaboration with AIS 5G to create new shopping experience for customers in the format of a virtual mall as well as developing and introducing healthcare products throughout the year to cater to new target customers such as mass market through modern trade. Additionally, RS implemented

information technology systems throughout the organization, which included developing comprehensive customer data analysis and call center systems to support the increasing number of customers of over 1.7 million.

Core Purpose

“Inspire and fulfill people with valuable entertainment and solutions”

Motto

“Passion to Win”

5-Year Business Direction

RS is an organization that conducts business with ‘opportunities’ and is always adaptive to change to create business opportunities by focusing on market leadership, continual investment in the business to sustain its commerce business while adopting Entertainmerce Model and expanding to other related businesses. The revenue contribution from new businesses is to increase significantly, strengthening the Company’s total revenue.

Key Changes and Developments in the Past 3 Years

The Company has evolved from being a leader in the media business to becoming a commerce business that provides content and powerful entertainment as well as distributing both in-house products and those of its partners. This includes establishing a system to analyze customer data and a telemarketing system as well as extending new distribution channels to consistently generate sales growth. Moreover, the Company has built on its existing commerce business and entertainment business to create and grow its digital business (Details on key changes and developments in the past 3 years are shown in the section Key Developments from 2019-2021)

Overview of Business of the Company and Subsidiaries

At present, the Company's core business is categorized into 3 businesses, which are commerce business, media business and music and other businesses. The commerce business contributed to the highest proportion of revenue, undertaking its business activities under RS Mall Company Limited and Lifestar Company Limited to sell health and beauty products, personal appliances and household products including high-tech products or gadgets. The Company's products are promoted through various media channels owned by the Company, including television media, with Channel 8 being a leader in the digital TV category under R.S. Television Company Limited; Radio media through the station COOLfahrenheit; online channels; and modern trade. In addition, the Company has also invested through various subsidiaries (Details are shown in the section Shareholding Structure)

1.2) Nature of Business

Currently, the Company operates 3 core businesses consisting of commerce business, media business, and music & other businesses.

Revenue Structure

Revenue by Business	2019		2020		2021	
	THB (Million)	%	THB (Million)	%	THB (Million)	%
Commerce Business	2,012.4	56	2,381.8	63	2,263.4	63
Media Business	1,069.2	30	1,148.7	30	1,078.7	30
Music and Other Business	529.5	14	244.2	7	230.7	7
Total Revenue	3,611.1	100	3,774.7	100	3,572.8	100

Product Information

Commerce Business



1) Product Characteristics

The commerce business is conducted under Lifestar Company Limited (“Lifestar”) and RS Mall Company Limited (“RS Mall”) which are subsidiaries of RS. The business model includes “Lifestar” as a product R&D, designer and developer by outsourcing production to original equipment manufacturers (OEMs) for both health and beauty products especially innovative solutions that are based on “Innovative Health and Wellness” concept to apply science as the basis to conduct R&D of products to address healthcare needs of consumers. The emphasis of the products is on supporting and solving issues at one stop or solution with the objective to create dietary supplements that meet international standards. There are 4 main brands and 4 supporting brands for Lifestar's product portfolio. The 4 main brands are listed below:

- 1) “well u” : a dietary supplement for health and beauty.
- 2) “Vitanature+”: a dietary supplement made from herbal extracts with the perfect combination of local wisdom and innovation.
- 3) “CAMU C” : a functional drink.
- 4) “Lifemate” : health & wellness products for pets.
- For the production of each type of product, Lifestar has collaborated with domestic and international research institutes and manufacturers with international standards to create quality products that fulfill customer needs. Product manufacturing begins with analyzing market data in conjunction with R&D activities run by leading laboratories and testing facilities together with Lifestar. To understand trends and needs of the overall market as well as customer needs before developing each

type of product, the Company collects data from customers directly through its telesales system. Before and during the distribution of products, regular random checks of product quality are performed by sending product ingredients to the laboratories for inspection. Products are distributed through the Company's sales channels, including the “RS Mall” and “COOLanything” platforms, online marketplaces as well as modern trade. During 2021, the Company has developed products and extended to target mass market customers through convenient stores focusing on the selling point of being healthy and convenient that customers can get anytime anywhere, consistent with the market trends and the behavior of consumers at present.

The main distribution channels of the commerce business are operated under RS Mall through both offline and online platforms. These platforms are to sell products and services that promote good health and wellbeing in a holistic way. Product quality and standards are guaranteed and certified by the Food and Drug Administration, ready to be “Wellbeing Partners” of every consumer to live a comfortable, happy and healthy life. The Company's product offering ranges from health, beauty and fashion, electrical appliances, home appliances to animal food from Lifestar as well as products of partners. The Company currently carries more than 600 items in its portfolio which can be categorized in to 4 groups namely, 1) Mind, 2) Body, 4) Home and Pets and 4) Social and Travel.

During the past year, RS Mall has broadened the variety of its introductions of different products for different TV programs in different parts of the day. The marketing channels the Company deployed include both offline and online channels consisting of

- 1) The Company's own offline media namely, Channel 8, and digital TV channels that are partners of the Company as well as the RS Mall channel via satellite television which can reach over 5 million viewers per days
- 2) The Company's online media platforms, including www. rsmall.co.th and LINE SHOP through @RS Mall with over 793,000 accounts, as well as other leading online platforms such as Shopee and Lazada. Note that in 2021 the RS Mall has extended its online distribution channels by launching RS Mall application on smartphones to accommodate customers to be able to order products online more conveniently and faster. RS Mall shop was also launched on V-Avenue by AIS 5G to create and deliver virtual shopping experience for customers.

3) Telesales and digital marketing are deployed to facilitate customers to order and purchase of products and services via phones. The Company reaches out to customers by phone to introduce its appealing products as suggested by the analysis from existing customer database. At the end of 2021, the customer base has grown to more than 1.7 million customers. With the capacity for in-depth customer data analysis in various dimensions, customer data are analyzed accurately and precisely to better fulfill customer needs and lifestyles. This includes improving the skills and capabilities of the outbound call center team to be able to present products and effectively close sales. In addition, Predictive Dialing System or PDS technology was adopted to connect the outbound call center system for maximum reach as it helps reduce calls with no answer, call with busy lines or calls that go into voicemail. The Company will continue to develop the PDS system to cover all 1.7 million customers with the highest efficiency including the implementation of the Voice Analytics system to analyze phone conversations using artificial intelligence (AI) to target customer groups more clearly and precisely as well as obtaining in-depth customer learning to further develop products and services that are right for customers.

In addition, RS Mall values existing customers who are loyal to the brand and added a team of Customer Relationship Management (CRM) to take care of VIP customers. This is to further promote customer satisfaction and maintain their loyalty to the RS Mall brand, which will increase the number of repeat orders to be more than 2 times per year. Other efforts include the development of a marketing and campaign team through sales and marketing activities throughout the year.

On product delivery, the Company outsources the activity to external parties. Customers in Bangkok and metropolitan areas will receive their products within the next day following the order of the products and services. Customers in other provinces will receive the product within 1 to 5 days. They can choose to pay cash on delivery or via credit card; however, more than 99% of customers choose to pay cash on delivery.

2) Market and Competition

2021 is considered a year that retail market in Thailand was still affected by the prolonged and severe COVID-19 pandemic which forced the government to heighten the lockdown measures, continuously weakening consumer purchasing power. Kasikorn Research predicted that volume of retail sales will contract 2.1% compared to the same period of the previous year with the market size of over 3 trillion baht. Nevertheless, the government issued relief measures and stimulus packages to help affected businesses and people such as “Khon La Krueng Phase 3” and “Ying Chai, Ying Dai” to support retail market during the last quarter of 2021 especially for food and consumer products (FMCG) including personal items. The outbreak of coronavirus has forced the retail industry to adapt as consumers pick up new behaviors and turn them into habits under the new normal, especially the popularity of online shopping as they can search for information and compare products and services in an instant. These new behaviors are here to stay in the long run after the COVID-19 situation subsides. This requires retail business operators to review and reformulate their business strategies to focus more on online market with speed.

According to the Research Department of Kiatnakin Bank, the Thai e-Commerce will continue to grow as the COVID-19 situation continues to serve as a growth catalyst for the market. There are also 3 other key factors that drive e-Commerce business toward continuous growth namely, 1) Increasing internet penetration 2) Intense mobile and social network usage especially for Gen Y and Gen Z population and 3) Online payment systems that are ubiquitous, convenient and secure. It is expected that 2021 will record a growth rate of 30% and the market value is expected to top THB 400 billion, which is more than THB 300 billion in 2020. The online channels with high growth include Social Commerce. It is found that online shopping of Thai consumers through this channel accounted for 40% and it has a tendency to grow consistently in the future. As a result, this channel has become more attractive with multiple popular platforms such as Facebook Page, LINE Shopping, TikTok and Instagram. This social commerce channels are also used for communication to inform customers of news and promotions. In 2021, the Company continued to extend its distribution channels to online platforms in response of consumer behavior trend which include the launch of RS Mall application and Virtual Mall under collaboration with powerful business partners such as AIS. This contributed the increase in proportion of revenue to 9% of total revenue. The Company also aims to emphasize sales promotions

and properly build engagement with customers to reach customers via various online channels.

3) Procurement of Products and Services

Lifestar, in collaboration with domestic and international research institutes, come up with formulas for key ingredients of each product. Once key ingredients or extracts are obtained, they will be used to manufacture products by leading national manufacturers. Certain products that are sold through RS Mall, COOLanything and Virtual Mall are from the collaboration with partners who are contracted to produce quality products to be advertised and distributed through the Company’s sales channels.



Media Business

1) Product Characteristics

Media business is comprising 2 main media, which are TV media and radio media

TV Media



“Channel 8” TV Station is operated under the slogan “Everyone is watching Channel 8, Press 27” to offer content that respond to the preference of the majority of viewers in Thailand. The concept is to be a free TV channel that is accessible to viewers of different genders and age groups with over 8 million audience base across Thailand. In 2021, the Company elevated 3 main types of content including sports program, dramas and news with the following details.

· Sports content: focusing on rigorous boxing events to attain No.1 rating such as “Muay Thai Super Champ”, “Muay Hardcore, Muay Pandu” as well as an international Thai boxing tournament “Thai Fight” that has elevated Thai boxing to the global level.

· Drama content: continuously producing quality dramas of different styles such as soap opera, fantasy, mystery and faith. For example, “Ruan Rom Ngew” broke the record of live streaming viewership from both Facebook and YouTube of over 2 million viewers, which is the highest record for Channel 8. Moreover, popular drama series include “Wera Akhat” ,”Reya” and “Soot Leh Sneha”. Channel 8 also brushed up old dramas to be rebroadcast with new cut and special parts to add some appeal to the dramas and to command high level or overall rating.

· News content: adjusting the format under the concept “Krob Kruang, Kiangkang, Krobklum” with news reporting that is fast, deep and broad. News centers were established in different regions across Thailand and field reporters are stationed in all areas to truly reach the people and report news real-time with precision and speed, enhancing news team working in front of cameras to be more effective.

In addition, the Company imported popular content from foreign countries to broadcast locally to attract new groups of viewers to expand audience base to viewers who like Asian series content (China and India). That is

the reason why Channel 8 maintains its good rating and has long been a leading TV station for variety - standard definition category (Variety – SD) from the survey of AGB Nielsen Media Research (Thailand) throughout 2021.

Channel 8 formulated “Four-Legged Chair” strategy to diversify its sources of revenue instead of relying on sales from commercials as the only source of revenue. By executing this this strategy, Channel 8 can generate revenue from 4 main sources which are

1) Revenue from commercial air time from external customers through proactive work that views customers as partners to assist them by developing advertising to address needs of each customer with different requirements.

2) Revenue from commercial air time of RS Mall which is considered a key tool to present products to boost commercial business.

3) Revenue from content rights from existing inventories and new content which have high tendency to grow, consistent with the behavior of consumers at present who view programs through Over-the-top (OTT) platforms such as AIS PLAY and WeTV as well as sales of rights to foreign countries.

4) Revenue from organizing events to build on the fun offered to products and services to national entertainment with actors of Channel 8 and RSiam singers to promote tours to meet with audiences. The tours were warmly welcomed such as “Sab Sing Isaan Tak”, “Channel 8 Festival” and “Suk Chef Satan Tung”

2) Market and Competition

Advertising media industry has been contracting continuously in the past 2 years as the economic conditions were adversely affected by the COVID-19 situation which in turn impacted marketing budgets of brands who are its customers. Value of overall advertising media industry in Thailand in 2021 dropped mildly at a rate of 1% from the previous year to stand at THB 107,151 million.

TV media remained the media with highest share of advertising budget at around 59% of total advertising budget. Advertising spend on TV media had a total value of THB 63,177 million at the level similar to the previous year. On the other hand, online advertising has experienced constant growth and higher share at a rate of 11% from last year. The competition in TV industry has been intense as players have to compete for rather fixed amount of money. The lower number of digital TV channels was a result of the license returns which drove the number down from 24 channels to 18 channels in 2019 while advertising money

was concentrated on only leading channels.

Due to the intense competition in overall TV industry, digital TV operators adjusted themselves to generate additional revenue through the expansion of channels to bring content to diverse platforms, responding to change in consumer behavior toward content viewing from smartphones, tablets or computers. Many players added viewing options through social media channels such as Facebook and YouTube as well as selling content on Over-the-Top TV (OTT TV) which is considered revenue generation from online audience including audience base from foreign markets.

With longstanding experience in media and entertainment business, the Company possesses capabilities and potential in creating content that is right for target customers and attains high rating while the average rating was 0.42, or ranked No. 3 for TV in the category of variety program with standard definition (Variety – SD). Channel 8 set out clear marketing strategies to produce content to cater to audience aged over 35 years who are the main group of customers who view content via TV channels with a broad base across Thailand. This group also has high purchasing power that the Company can leverage to build commerce business to introduce products and services that suit their needs.

Lastly, Channel 8 has seen opportunities in selling rights in foreign markets as well as OTT video streaming market which have been growing constantly, consistent with changing lifestyles of consumers who are digital generations. Therefore, the Company took steps forward to expanding the customer base through partnerships with leading companies such as AIS PLAY and WeTV to create new content to be aired on video streaming channels and OTT partners.

3) Procurement of Products and Services

The Company signed contracts with a number of people and selected employees, from the front end to the back end, who are capable, skillful and accepted by target customer groups. For front end staff, the focus is on artists and performers under RS umbrella while independent performers and artists make up for another part of front-end roles. As for production, the Company’s team creates work formats and manage production while production is handled partly by the Company’s employees with another part assigned to contract productions. The Company joined forces with business partners who are leading domestic and international companies to jointly select new and interesting programs for local audiences on a regular basis.

Radio Business

1) Product Characteristics



COOLISM engages in a radio media business through the radio frequency system of F.M. 93.0 MHz under the brand COOLfahrenheit, an online channel at www.COOLISM.net, and a mobile platform via COOLISM application. Revenue generating strategies are based on diversification of sources of revenue under “Three Rivers” model or revenue from 3 main sources per following:

- 1st River COOLfahrenheit (music station business) generating revenue from advertising.
- 2nd River 2 COOLive (concert and event business) generating revenue from ticket sales and sponsorships from brands who support events.
- 3rd River COOLanything (commerce business) generating revenue from merchandise sales that turns listeners to buyers by introducing products and services through COOLISM application under the concept “Listen To Music and Shop for Fun in One App”



Radio Station : COOLfahrenheit
Concessioner : Navy Radio Station
Airtime : 24 hours, every day
Signal Coverage : Bangkok and the vicinities including other provinces across Thailand through online and mobile channels
Concept : Music lifestyle content
Key Target Audience : Urbanista aged between 18-44 years
COOLfahrenheit is a radio station that offers international-style Thai music for urbanistas aged 18- 44 years in Bangkok and its suburbs as well as major cities nationwide. The station currently boasts a combined offline and online viewership of over 3.9 million people per month which has been rising constantly for the past 10 years. Also, it received highest acceptance and recognition from its audience through the professional COOLJ team with unique characters who introduces activities to build engagement with audiences, addressing lifestyles of new generations of working

population. For instance, the Company continuously organizes events that respond to lifestyles and broaden perspectives of young generations in workforce. Unique and popular activities include COOL Outing, Ink Eat All Around and COOL Music Fest,

COOLfahrenheit has been extended its viewing channels to digital platforms using an application on smartphones while keeping radio platform to promote a hybrid model to accommodate audiences to be able to tune in no matter where they are. This is also considered an expansion to tap into young generation audiences who prefer to use online channels to access content.



Revenue from organizing events and concerts through COOLive is one of the main sources of COOLISM to compensate for the impacts from the contraction of overall radio media business. Events hosted and created by COOLive have consistently gained trust and confidence among audiences and sponsors. However, the COVID-19 pandemic forced the government to impose outbreak control measures that prohibited large-sized concerts in 2021. It is expected that activities will resume to a normal state when the COVID-19 situation improves.



COOLanything delivers revenue from merchandise sales by converting listeners to customers through the creation of an online shopping experience on the COOLISM application under the COOLanything menu. Listeners can listen to music and shop online at the same time. COOLanything teamed up with commerce business units to source and select products that match the preferences of COOLfahrenheit listeners while product characteristics are different from other products on other commerce channels of the Company that targeted different customer groups.

2) Market and Competition

Downward trends in advertising spend for radio media industry in the past year was a result of the decline in overall advertising spend which was impacted by the economic slowdown as well as the higher proportion of advertising budget allocated to online media. Consequently, total advertising spend on radio media for 2021 stood at 3,261 baht million, decreasing 9% from the previous year. Nevertheless, brands are still interested in and choose radio media as one of the main media for their marketing plans while they are likely to select advertising media from the radio stations based on the popularity including the price factor to evaluate the cost-effectiveness of the advertising spend.

Therefore, the Company can leverage on its No.1 position on rating with engaged listeners both on air and online as a strategy to propose an attractive CPM or cost per thousand to customers to compare the ratio between the number of audience and advertising price per unit so that brands can achieve the maximum value of the advertising media and reach the most target groups. Furthermore, new sales packages are bundled with other media under COOLISM brand to offer integrated solutions for on air, online and on mobile with value-for-money for customers compared with other rivals. Consequently, COOLfahrenheit became the radio station with the highest market share in radio advertising media market thanks to the mentioned factors.

Additionally, from the behavior of radio audiences that increasingly listen via online platforms with the growth of around 10-20% and an average listening time of 1.34 hours per day, the Company focuses on developing online channels from COOLISM application and partnership with leading music streaming applications such as JOOK, Apple Music and Google Assistant to extend to audiences in lower age groups and diversify channels for customers to tune in to listen to its media.

3) Procurement of Products and Services

The Company continued to encourage each radio program host to enhance their potential and capabilities to have diverse skills and knowledge. In particular, they must have basic knowledge of marketing and know how to use technology and social media to achieve maximum benefits. They must also be able to host the program in line with the expectations of the target audience. Recently, the hosts of the Company must also have the skills to facilitate on ground promotional events and accommodate customer’s advertising campaigns and the Company’s commerce

products. In addition, the Company has implemented a computer system to control the automatic broadcast using the technology that meets international standards. The software is also constantly updated to be modern with quality broadcast through FM radio systems and other digital platforms that can be accessed from all types of devices.



Music Business

1) Product Characteristics

RSIAM
kəmikəze
RoseSound

The music business of RS has been an upstream business for the Company for over 40 years and it has been through transformations and disruptions from technology and other business contexts until today that RS Music represents intellectual properties that are fresh and fun with differentiated content compared to traditional record labels. RS music business is not a music label but music content recreation that is present in every lifestyle of the people.

RS music business is comprehensive in all dimensions to create content that is diverse to meet different needs of artists, markets and target groups using media and marketing strategy, artist management and song content management through online media such as streaming, social media and offline media such as television, events and showbiz.

In addition, RS music business aims to create value added from social media of its artist as well as grooming artists to become influencers based on their different lifestyles. This directly connects to its Entertainmerce Model to generate revenue from selling products to their fan base and organizing various concerts and other events.

RS Music adopted 2 cores in business operations which are

Content Creation

RS Music co-creates and co-develops content in collaboration with a network of artists, partners, creators and influencers to supply new content that address market needs and lifestyles of consumers. Its content creation is operated under 3 record labels namely, RSIAM, RouseSound and Kamikaze and RS works together with multiple artists and partners.

Content Monetization

RS Music leverages on music business to create assets for the music business and other businesses under RS Group to create value for its intellectual properties through Digital Service Platform, Social Media, Copyright Management as well as emerging formats in the future such as NFT and Metaverse.

Main Sources of Revenue in Operating Music Business can be classified into 3 sources per following:

1) Revenue from events and showbiz of artists under the labels which includes performances and shows of the artists throughout the year. Revenue generated from sponsorships of artists is also a major part as artists become brand ambassadors or presenters for a variety of products through multiple channels, online and offline as well as artists' own social media channels.

2) Revenue from the sales of music products in various formats through digital content, both in terms of music played by online streaming through various platforms such as JOOX, Spotify and Apple Music; listening to music and watching online music videos through platforms such as YouTube, Facebook and AIS Play; or revenue generated from viewing of newly created content through social media platforms with over 40 million accounts of fans. In 2021, a special project #RShomecoming was organized with artists of every generation returning and reuniting to create music and perform via YouTube and Facebook. Lastly, revenue also comes from services of downloading songs and ring tones via the mobile phones.

3) Revenue from copyright management from managing, collecting and broadcasting music content by Thai copyright Collection Co., Ltd. (TCC), a subsidiary that is responsible for storing the Company's copyrighted works used in a commercial capacity. In addition, revenue also comes from special projects with business alliances to revisit old songs and music to recreate in different formats to be offered in digital platforms such as JOOX and TikTok.

2) Market and Competition

Since the COVID-19 outbreak, consumers behavior regarding their music consumption has changed as they have more personal time staying at home and need music for relaxation due to work from home. Music streaming has also been trending for consumers as users or audiences can view videos or listen to music anywhere anytime as they wish. As a result, more consumers go online to listen to music through various websites or social media using their

smartphones. This presents opportunities for music business with music inventories and copyrights of content to generate revenue through digital platforms. The platforms let audiences access with speed wherever and whenever with much lower distribution cost. Nevertheless, digital platforms and online technology are also opportunities for independent record labels and artists to create their work and introduce to the market in short time at lower costs. This leads to a large number of new operators in music business who create diverse formats of work to the market.

As such, the Company must impart importance to the source of revenue from music inventories and copyrights of songs to be repackaged to serve current target customers as well as new music creation from existing capabilities of its human capital with experience and success. Social media platforms that are diverse and changing are key to speedy customer access that responds well to the lifestyles of all target customer groups.

3) Procurement of Products and Services

The Company set a policy to offer more opportunities to new groups of musical artists and composers, and more channels for musical creations or new forms of media channels. In order to develop RS songs and works to be modern and appealing to all target groups, consideration was given to artists with distinguished lifestyles, not those with only singing talent. Also in place was a policy to produce works in right quantities, with emphasis on their quality, close attention after launch, and communication with artists via shared media channels; so that production of each project would follow its initial plan. Evaluation based on indicators in various social media channels was also performed in terms of production quality and responses from the target groups.

Other Businesses

Online Media Business

1) Product Characteristics



During 2021, the Company acquired 70% ownership of Fourth Apple Company Limited (4th Apple) with the objective to expand its business to digital business in various formats. Note that 4th Apple engages in 3 core businesses as follow:

1) Online marketing consultancy and agency: 4th Apple plays a role in creating and developing key opinion leaders (KOL) and influencers. In 2021, “The Rising Influencer” project was initiated to search for story tellers who have distinct abilities, assertiveness and uniqueness to produce content and influence online social network or so-called the “Super Influencers” via social media channels under RS Group as well as developing online content of RS Group.

2) International Content & Event: With its expertise in K-Pop content, the Company can build on existing expertise to generate relevant revenue such as concerts, events, fan meetings and variety shows on social media and TV media.

3) Popcoin Smart Marketing Platform: The new platform will elevate and promote marketing efficiency for brands using the digital token which is a utility token that adopts blockchain technology as a medium of exchange as well as connecting commerce business with entertainment business to offer seamless experience for consumers. Details on Popcoin are shown in www.popcoin.co

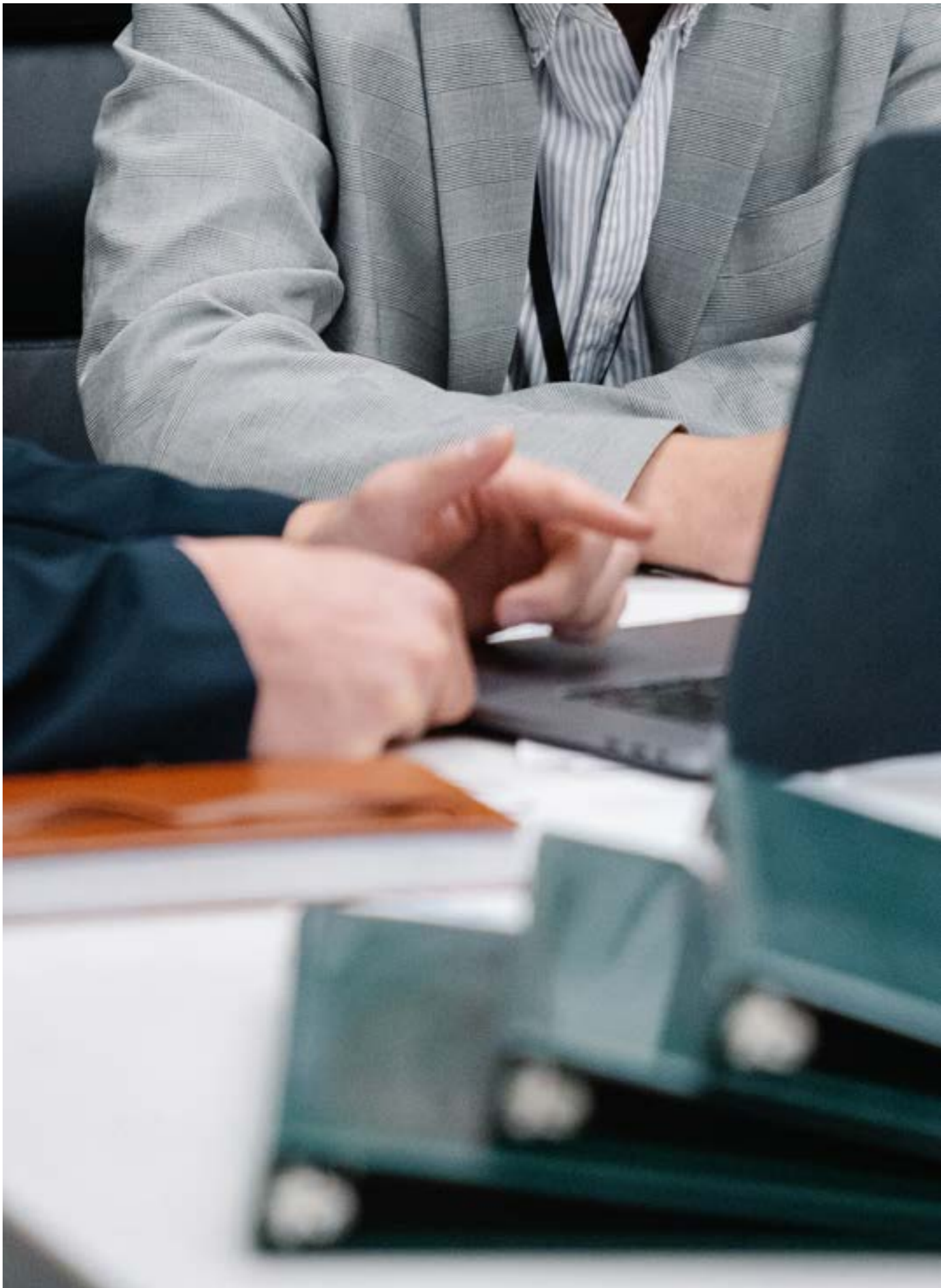
Note that 4th Apple becomes one of the key instruments for strategic planning develop new formats of content for RS Group and to bring physical assets to the digital economy to create new limitless experience for consumers while fulfilling the ecosystem the Company is operating and fortifying Entertainmerce model to be complete.

2) Market and Competition

Despite the slow growth of advertising spend of the adverting industry from the economic slowdown and the lengthy COVID-19 pandemic, online media has been growing against the trends as advertising spend in digital media in 2021 edged up 11% from the previous year to reach THB 23,215 million and contributed to a higher proportion at 22% of overall advertising spend in the industry. The key factors

driving the business sector to pay more attention to online media are the changing consumer behavior resulted from the crisis and the measurability of the media as consumers of all age groups have access to the internet and are spending more time online. Online content consumption has been expanding in scope and scale from online shopping, online ordering for food delivery and virtual meeting while less time is spent on other media. Popular platforms for marketers are those with high number of users such as Facebook and YouTube. Thus, the Company places high priority on the elevation of media and entertainment business through development of new content from 4th Apple to be further extended to online channels and leverage on the audience base of over 50 million accounts of users for all online channels of RS Group to cater to new consumer groups like Gen Y and Gen Z.



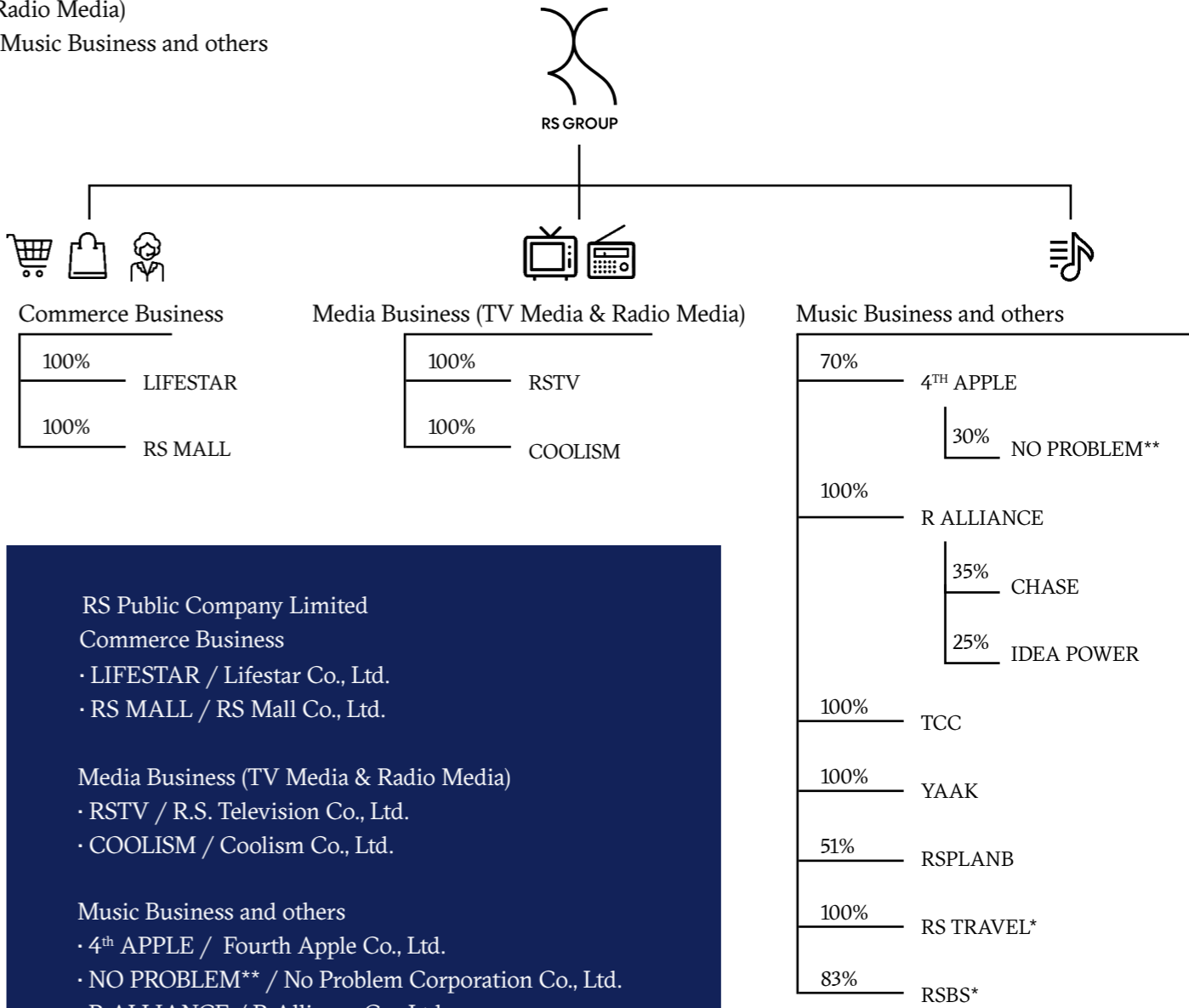


1.3) Shareholding Structure

1.3.1) Shareholding structure of the Group

consists of 3 business groups as follows:

- (1) Commerce Media
- (2) Media Business (TV Media & Radio Media)
- (3) Music Business and others



RS Public Company Limited
Commerce Business
· LIFESTAR / Lifestar Co., Ltd.
· RS MALL / RS Mall Co., Ltd.

Media Business (TV Media & Radio Media)
· RSTV / R.S. Television Co., Ltd.
· COOLISM / Coolism Co., Ltd.

Music Business and others
· 4th APPLE / Fourth Apple Co., Ltd.
· NO PROBLEM** / No Problem Corporation Co., Ltd.
· R ALLIANCE / R Alliance Co., Ltd.
· CHASE / Chase Asia Co., Ltd.
· IDEA POWER / Idea Power Co., Ltd.
· TCC / Thai Copyright Collection Co., Ltd.
· YAAK / Yaak Co., Ltd.
· RSPLANB / RS Plan B Co., Ltd.
· RS TRAVEL* / RS Travel Co., Ltd.
· RSBS* / RS International Broadcasting and Sports Management Co., Ltd.

Remarks * Non-operating
** In the process of liquidation

As at 31 December 2021, the Company has investments in Subsidiaries, Associated Companies and Joint Ventures with the details as follows:

(1) Subsidiaries

No.	Company Name	Nature of Business	Registered Capital (Baht)	Share holding (%)	Address
1	Lifestar Co., Ltd. ("LIFESTAR")	Commerce Business	1,000,000	100%	27 RS Group Bldg., Tower A, 5 th Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
2	RS Mall Co., Ltd. ("RS MALL")	Commerce Business	200,000,000	100%	27 RS Group Bldg., Tower A, 7 th Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
3	R.S. Television Co., Ltd. ("RSTV")	Digital Television Business	300,000,000	100%	27 RS Group Bldg., Tower B, 3 rd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
4	Coolism Co., Ltd. ("COOLISM")	Radio Business	6,250,000	100%	27 RS Group Bldg., Tower C, 4 th Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
5	Thai Copyright Collection Co., Ltd. ("TCC")	Copyright Collection Business	5,000,000	100%	27 RS Group Bldg., Tower C, 3 rd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
6	Yaak Co., Ltd. ("YAAK")	TV program Business	2,500,000	100%	27 RS Group Bldg., Tower B, 3 rd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888

No.	Company Name	Nature of Business	Registered Capital (Baht)	Share holding (%)	Address
7	R Alliance Co., Ltd. ("R ALLIANCE")	Investment Business	1,035,000,000	100%	27 RS Group Bldg., Tower B, 3 rd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
8	Fourth Apple Co., Ltd. ("4 th APPLE")	Content & Influencer Marketing Business	4,000,000	70%	27 RS Group Bldg., Tower C, 2 nd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900
9	RS Travel Co., Ltd. ("RS TRAVEL")	Non-operating	37,000,000	100%	27 RS Group Bldg., Tower B, 3 rd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
10	RS International Broadcasting and Sports Management Co., Ltd. ("RSBS")	Non-operating	9,375,000	83%	27 RS Group Bldg., Tower B, 3 rd Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888

(2) Associated Companies

No.	Company Name	Nature of Business	Shareholding by	Registered Capital (Baht)	Share holding (%)	Address
11	Chase Asia Co., Ltd. ("CHASE")	NPL Asset Management and personal loan business	R ALLIANCE	784,220,900	35%	8/9-10 Soi Vibhavadi Rangsit 44 (Soi Mongkhon Niwet), Vibhavadi Rangsit Rd., Ladyao, Chatuchak, Bangkok 10900
12	Idea Power Co., Ltd. ("IDEA POWER")	Event organizer Business	R ALLIANCE	20,000,000	25%	27 RS Group Bldg., Tower A, 11 st Floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888
13	No Problem Corporation Co., Ltd. ("NO PROBLEM")	In the process of liquidation	4 th APPLE	1,000,000	30%	149/331 Moo 13, Om Noi, Krathum Baen, Samut Sakhon Province 74130

(3) Joint Ventures

No.	Company Name	Nature of Business	Share holding by	Registered Capital (Baht)	Share holding (%)	Address
14	RS Plan B Co., Ltd. ("RSPLANB")	Commerce and Marketing Business	RS	20,000,000	25%	27 RS Group Bldg., Tower A, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 02-037-8888

Policy on Investments in Subsidiaries and Associates Companies

The Company has a policy to make investments in subsidiaries or associated companies, in businesses directly related to the Company’s core business or in other businesses that can be connected to its core business, built on, and can contribute to the core business. The emphasis has been on investments in businesses that have good potential, showing positive trends for future growth and the capacity to generate a good return on investments. The investments will take into consideration the best interest of the Company and its shareholders. Still, the Company has also complied with the Notification of the Capital Market Supervisory Board on Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended) and the Notification of the Securities and Exchange Commission on Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets (as amended). That is, by investing in such businesses, the Company will focus on making investments in appropriate percentage, in such a manner that enables the Company to take part in managing and setting guidelines for business operations in such subsidiaries and associated companies.

Policy on Division of Business Operations of Companies in the Group (“RS Group”)

The Board of Directors of the Company has appointed executive members of the Company to be Directors of its subsidiaries. They are responsible for taking action in the best interest of the subsidiaries, in line with the policies of the parent company. The Board of Directors is responsible for setting policies to be implemented by the subsidiaries. The executive responsible for each line of business must ensure that the subsidiaries have in place rules on connected transactions that are in line with the Company’s policies, and that they collect and keep records of accounting information. The Company must be able to audit such records and compile them to prepare the consolidated financial statement within the required time frame. They must also set up a suitable and prudent internal control system and can ensure that transactions are made in compliance with relevant laws and regulations. Each company shall set its own goals and business strategies, and together, all companies shall follow up on the business outcome.

1.3.2) Shareholders

The list of 10 major shareholders as of the latest Record Date on 14 January 2022, has the following details:

No.	Name-Surname	No. of Share	Percentage of Shareholdings (%)
1	Chetchotisak Group *	230,057,364	23.66
2	Mr. Sorat Vanichvarakij	98,000,000	10.08
3	Srivaddhanaprabha Group **	95,000,000	9.77
4	Bangkok Bank PCL	50,331,900	5.18
5	Thai NVDR Company Limited	40,735,116	4.19
6	The Hongkong and Shanghai Banking Corporation Limited	27,605,000	2.83
7	Ms. Patteera Pairatvej by KTB Securities (Thailand) PCL	24,271,000	2.49
8	Mr. Pongsa Pairatvej by KTB Securities (Thailand) PCL	21,260,200	2.19
9	Kasikorn Securities PCL (LNS)	17,340,000	1.78
10	Thanachart Securities Public Company Limited for the transaction Block Trade	16,100,000	1.65

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* Chetchotisak Group including 1) Mr. Surachai Chetchotisak holds 229,950,000 shares or 23.65% 2) Mr. Chet Chetchotisak holds 107,364 shares or 0.01%

** Srivaddhanaprabha Group including 1) Ms. Aroonrung Srivaddhanaprabha holds 47,500,000 shares or 4.88% 2) Mr. Apichet Srivaddhanaprabha holds 47,500,000 shares or 4.88%

1.4) Registered Capital and Paid-up Capital

As at 31 December 2021, the Company has the registered capital of Baht 1,163,996,212 divided into 1,163,996,212 ordinary shares with a par value of Baht 1 per share with a paid-up capital of Baht 972,496,946 divided into 972,496,946 ordinary shares with a par value of Baht 1 per share.



1.5) The Issuance of Other Securities

Warrant of RS Public Company Limited Series 4 (RS-W4)

Warrant of RS Public Company Limited Series 4 (RS-W4) was approved to trade on the Stock Exchange of Thailand since 11 June 2021. The details are as follows:

Type of securities	:	Warrants to purchase ordinary shares of RS Public Company Limited Series 4 (RS-W4)
Type of warrant	:	Transferable named certificate
Number of offering warrants	:	191,490,733 units
Number of new ordinary shares reserved for exercise of warrants	:	191,490,733 shares
Warrant issuer	:	RS Public Company Limited allocated to existing shareholders of the Company according to the Record Date who are entitled to receive warrants to purchase the Company's ordinary shares as of 27 April 2021 at the ratio of 5 existing ordinary shares to 1 unit of warrant with no cost.
Offering price of warrant	:	0 baht per unit (zero baht)
Date of issuance of warrants	:	24 May 2021
Tenor	:	3 years from the warrant's issue date
Exercise ratio of warrants	:	1 unit of warrant purchase 1 new ordinary share
Exercise price to purchase ordinary shares	:	Baht 29 per share
Exercise period	:	Warrant Holders can exercise the right to purchase ordinary shares of the Company on the last Business Day of May and November of each year between 9.00 am. – 3.00 pm. until the end of tenor of Warrants. The first exercise date is on 30 November 2021 and the last exercise date is on 23 May 2024 between 9.00 am. – 3.00 pm. until the end of tenor of Warrants. The Last Exercise Date is at the end of 3 years tenor date of the Warrants. In case that the exercise date is not a Business Day, the exercise date shall be the last Business Day prior to each exercise date.
Last period to express your intention to exercise your rights	:	Not less than 15 days before the last exercise date
Secondary market of warrants	:	The Stock Exchange of Thailand
Warrant Registrar	:	Thailand Securities Depository Company Limited

The Details of Warrant of RS Public Company Limited Series 4 (RS-W4) are as follows:

Details	Number of exercised warrants (Person)	Amount (Unit)	Number of shares reserved for exercise of warrants (share)
No. 1 (first exercised) on 30 November 2021	-None-	-None-	191,490,733

Treasury Stock Program

The Board of Directors Meeting No. 6/2019 on 18 December 2019 had approved the Treasury Stock Program as the details follows:

Maximum amount for treasury stock	:	Not exceeding Baht 200,000,000
Number of shares to treasury stock	:	15,000,000 shares
Treasury stock period	:	Within 6 months (since 2 January 2020 to 1 July 2020)
Sale treasury stock period	:	Within 3 years from the completion of treasury stock

Report on the results of the Treasury Stock Program

As at 31 December 2021, the Company has not sold its treasury as the details follows:

Details	
The date of treasury stock in full amount	9 March 2020
Number of shares to treasury stock	15,000,000 shares
Value of treasury stock	160,158,220 Baht
Sale treasury stock period	Within 9 March 2023

1.6) Dividend Payment Policy

The Company's Dividend Payment Policy

The Company and its subsidiaries will pay a dividend not less than 50% of net profit after tax and legal reserve. However, the Board of Directors may consider and decide not to follow this policy, or adjust it from time to time in order to maximize the benefit to the shareholders.

However, the dividend payment has to be approved at the Shareholders' Meeting, after approved by the Board of Directors unless it is an interim dividend distribution.

The dividend payments of the Company compared to the previous years are as follow:

Details of Dividend Payment	2019	2020	2021
The right to receive dividend (shares)	972,496,946	957,496,946*	957,496,946*
1) Net profit attributable to the parent (Consolidated) (baht)	363,343,967	528,278,160	127,351,173
2) Earning per share (baht/share)	0.37	0.55	0.13
3) Total dividend payment (baht/share)	0.30	Omitted dividend	0.35
3.1) Interim dividend payment (baht/share)	0.20	Omitted dividend	Omitted dividend
3.2) Final dividend payment (baht/share)	0.10	Omitted dividend	0.35
4) Dividend payout ratio ** (%)	79.90	-	263.15

Remark: *After deducting the treasury stock program of 15,000,000 shares.

**The dividend payment complies with the Company's policy.

The Subsidiaries Dividend Payment Policy

The Subsidiaries does not have a dividend payment policy but will consider paying on a case by case basis. The Subsidiaries must have a net profit from operations and have remaining cash flow (after setting up a legal reserve) enough.



2) RISK MANAGEMENT

Risk Management Policy

The Board of Directors has put in place an organization-wide risk management system under good corporate governance principles as a management tool to reach the Company's objectives. Everyone in the Company from directors, executives and employees are the owners of risks whose responsibilities are to identify incidents to analyze and assess probabilities and degrees of impacts to the business operations of the Company and its subsidiaries. Moreover, risk owners help define preventive and corrective measures as well as risk control measures to be a framework for risk management processes throughout the organization in alignment with objectives, goals and strategic plans. To promote clarity in management, the Risk Management Committee (RMC) has established the following risk management framework as approved by the Board of Directors.

1) Cultivate a risk management culture for the whole organization by promoting knowledge and understanding as well as fostering a responsible mindset on risk management for executives and employees at all levels.

2) Set processes, guidelines and rules related to risk management that are appropriate, efficient and international to monitor, control and mitigate risks.

3) Identify different types of risks in the organization to analyze, assess and prioritize risks before determining action plans to manage those risks. Monitor, assess and report risk status to the Board of Directors on a regular basis as well as communicating information related to risks continuously and inclusively in the organization.

4) Require all business units to report incidents that potentially incur risks that may impact or damage the organization by identifying likelihood and levels of impacts of the particular risks.

5) Develop key risk indicators (KRI) including both quantitative indicators such as revenue, profit / loss and increase in expenses, and qualitative indicators such as employee engagement, reputation, corporate image and customer satisfaction.

6) Determine risk ceiling or risk appetite of the organization from risk incidents to limit the possible damage to the Company, its stakeholders or the public.

7) Identify possible incidents in different levels of risk warning so that persons responsible for risk management can implement the risk management measures in a timely manner to reduce likelihood or mitigate impacts to the Company.

8) Establish operational practices in writing for executives and employees to comply with in order to control and manage risks according to proper risk management processes.

9) Ensure that risk management conduct is monitored, audited and controlled to be in accordance with this policy.

Structure / Responsible Parties



The risk management structure of the Company consists of the Board of Directors who considers and appoints the Risk Management Committee (RMC) to take charge of supervising, controlling and managing organization-wide risks as well as considering and appointing the Risk Management Working Group. This working group comprises risk management officers with direct reporting lines to the Chief Finance Officer (CFO) to support the duties of the working group and the Risk Management Committee. The Risk Management Working Group acts as the operational unit in managing risks of the Company.

Systematic Risk Management

The Company defined 4 objectives or goals of risk management per following

- 1) To create a strong risk management culture that risk management is the responsibility of all employees by encouraging all employees to have an awareness and proper values related to risks as well as realization of uncertainties as a fundamental understanding to enhance efficiency in risk management of the organization.
- 2) To develop and integrate risk management into every decision-making process at all levels in the organization from policy and strategy formulation, planning, budgeting, investment, project management, work processes and performance management to organization supports in all aspects.
- 3) To promote continuous improvement and development in risk management as risks are uncertainties that require consistent learning, development and improvements given changes that may impact business operations.
- 4) To document risk management practices of the organization and build trust through the disclosure of information related to risks under good governance principles.

Note that the Company's risk management processes can be classified into 2 levels as follow

- 1) Organization Level: The Company manages risks from key business activities such as strategic risks from work plans or management policies including risks from internal and external factors that significantly impact business operations.
- 2) Operational Level: The Company manages risks resulted from operations of each business unit covering risk factors related to work processes, and use of equipment and technology. Employees working for the Company and its subsidiaries in each business unit review risk management context of the organization by identifying and analyzing

significant risks that impact how the organization achieves its objectives and goals as well as setting measures to prevent and mitigate likelihood and impacts of risk. Details can be found in the following topics.



1) Strategic Risk
Risk from Reliance on OEMs (Original Equipment Manufacturer)

To speed up product development and manufacturing to meet fast-changing consumer demand, The Company depends on OEMs (Original Equipment Manufacturer) to manufacture products under the Company's brands. The Company's internal unit determines active ingredients to be used including all product properties and then hires external manufacturers to engage in the production of those products. This strategy is suitable as its market responsiveness helps the Company to address emerging needs of consumers before other operators. The speed is a key factor in enabling the Company to generate revenue from popular products especially at the beginning of the product life cycle which result in high sales revenue and profit margin.

However, reliance on outsourced manufacturers exposes the Company to risks related to uncertainties and continuity in production which can be derived from external factors that affect the manufactures in the way that they cannot deliver products to the Company on time or with the promised quality. This will inevitably impact business continuity and opportunities to deliver revenue.

The Company formulated a policy to manage the risk through sustainable supply chain management policy and strict practices from the readiness inspection of manufacturers in various aspects including production capacity, financial position, ability to source raw materials to risk management to ensure uninterrupted product delivery according to plans. Furthermore, the Company has a policy to diversify production orders to multiple leading domestic manufacturers to reduce the dependency on a particular manufacturer. The Company also builds relationships with new manufacturers with complete qualifications so that the Company can negotiate with manufacturers and be able to control product costs more effectively. Lastly, the Company and each manufacturer closely plan production together to be able to adjust the production plans to match volatile demand for products.

Risk from Investment in Business Expansion

The Company has investment plans to expand its business through mergers and acquisitions (M&A) to deliver rapid growth from the expansion of the ecosystem to be more complete to create synergy within the group of companies which helps enhance the Company's competitiveness in the long run. Nevertheless, executing the expansionary strategies may incur risks from making investment decisions or entering into transactions; for

example, risk from verification of accuracy and credibility of investment information and risk from inability to generate growth and return as expected from invested businesses.

The Company places high priority on the analysis of investment risks through a specialized unit to analyze and review information who also works with external independent experts such as auditors and legal advisors to deliberate material information to make investment decisions. Note that investment decisions must be approved according to the approval authority of the Company and must focus on business expansion to create value added for the Company as well as considering relatability and alignment with the Company's strategies, cost-effectiveness, and timing.

2) Operational Risk
Risk from Impairment Cost of Obsolete Products Due To Shelf Lives of Health and Beauty Products

From its vision to become the leader in product development for health and beauty products, the Company has been continuously developing new products to address changing needs of consumers. For each type of products, the Company must order in high volume to be sufficient for maintaining costs within appropriate levels as well as managing products to be stored as inventories before distribution to customers and retailers across the country. Therefore, risks emerge from cost of obsolete products that is recorded as expenses as those products become expired while health and beauty products generally have an average shelf life of 3 years. In case that consumer trends move quickly, it may cause the Company to be unable to distribute inventories before they expire.

Note that for the development of all types of products, the Company pays attention to market and consumer behavior surveys to be able to analyze and forecast sales for each product in a precise manner to respond to market demand at different times. The Company regularly monitors and manages inventories to be aligned with the remaining shelf lives. In case of any product with shelf life below 18 months and low order rates, that product will be deliberated by the Management to come up with sales or marketing campaigns to properly boost sales of the product.

Risk from Change in Media Industry that Affect TV and Radio Businesses

Changing consumer behavior towards receiving services and accessing information via online channels directly impacts the advertising media industry. Advertising spend through online channels has been growing constantly while traditional media like TV media and radio media have experienced stabilized growth. In addition, the COVID-19 pandemic further accelerated change in consumer lifestyles to rely more on online channels which may pose threats that reduce revenue of TV media and radio media businesses in the future.

The Company realized changes in the industry and adjusted its strategies to add alternative sources of revenue to be more diversified such as revenue from business partners who are service providers of over-the-top platforms that bring content of the Company, old and new, to be shared via online channels; revenue from product development and distribution under “Enertainmerce Model” that leverages on a variety of media owned by the Company to build on its commerce business as distribution channels to cater to consumer groups nationwide; and revenue from organizing events and sponsorships from marketing to reach engaged audiences or listeners through the Company’s media.

Risk from Data Security, Information Technology Systems and Cyber Threats

The Company has adopted information technology in operating its business throughout organization to enhance business opportunities and improve operations to achieve key goals of the Company. However, adoption of technology always comes with risks from cyber attacks which become more complicated and severe, potentially affecting business continuity of the Company.

Therefore, the Company regards cybersecurity as a top priority by setting security measures that are integrated into its infrastructure from the beginning including a system to prevent cyber threats, action plans and activities for cyber threat protection, review and improvement of information technology security policy, and applications of multiple international standards to issue preventive and corrective measures to mitigate cyber risks. At the same time, the Company aims to enhance capabilities of employees related to cybersecurity to be up to date and responsive to different forms of cyber threats as well as promoting knowledge and understanding for all employees and executives to realize the importance of cybersecurity. events and sponsorships from marketing to reach engaged audiences or listeners through the Company’s media.



Risk of data privacy

The Company’s commerce business serves over 1.7 million consumers including Popcoin, the new marketing platform under development, and requires personal data storage for its customer services, marketing and quality development of products and services. As a result, risks from customer data leakage are important issues that need prudent management of operational risks to be in compliance with applicable laws such as the Personal Data Protectional Act (PDPA).

The Company is fully aware of the importance of customer data privacy protection and the compliance with related regulations and has studied, planned and defined prudent data management and data access processes as well as issuing proper controlling measures and conducting regular audits. Moreover, the Company provided training for related employees and external parties who work with the Company so that they can strictly conform to the plans to ensure that the Company is able to prevent the risks and properly abide by applicable laws.

3) Financial Risk
Liquidity Risk and Risk from Sourcing Funds to Support Business Plans

Liquidity risk may arise from the inadequacy of working capital or sources of fund that are costlier than acceptable levels which will impact business operations. The Company is executing its business strategies to expand, invest and acquire other businesses to build a stronger and larger ecosystem with speed to enhance its capabilities. This requires large capital investment in a short period of time. Therefore, it is possible that risks can emerge and affect the success of its business expansion.

To prevent liquidity risks, the Company regularly reviews estimated cash flow of the group of companies by considering current reserves (from available credit limits) and cash and cash equivalents as well as planning annual budget and investments to estimate size of capital and activities including sources of fund for its business expansion. The Management constantly monitors and evaluates progresses and success of projects while approaching different financial institutions to negotiate financing options to support the plans under optimal financial costs. The Company also has a plan to additionally raise funds through the capital market. In 2021, the Company received a credit rating from a credit rating agency which allows the Company to have access to more sources of funds in the future and to issue debentures to investors so that the Company does not have to rely solely on financial institutions as before. Additionally,

the Company has also properly secured reserves from financial institutions in case of liquidity issues. Nonetheless, as of the end of 2021, the Company’s debt-to-equity ratio stood at 1.17 times, significantly below the level required in the loan agreements with financial institutions. Therefore, the Company is in a good financial position to expand its business horizontally and vertically according to its business strategies without liquidity or fund sourcing issues.

4) Regulatory Risk Related To Standards and Laws

Risk from Notifications and Regulations of NBTC

Entertainment business including both TV and radio businesses are considered basic services that are important to people to have an inclusive access to information. This business is operated under rules, regulations and criteria imposed by the National Broadcasting Telecommunications Commission (NBTC). NBTC has the authority to supervise and issue notifications on rules and regulations to control and monitor operators in TV and radio industries to compete freely and fairly under ethical standards to ensure consumer benefits and protection from being taken advantage of by operators. For instance, content of the programs must be supervised to have proper quality and suitable for target customers while content ratings must be assigned to protect children and youth. Moreover, the access rights and benefits from TV programs should not be overlooked for people with disability. Therefore, NBTC regularly reviews and adjusts rules and notifications to be in line with situations and problems of all operators for each time period. For example, NBTC reviewed and changed frequency management plan to recall certain frequencies to be allocated properly to generate higher benefits than before. Consequently, changes in rules and regulations issued by NBTC may impact the Company’s business operations and reduce profitability and/or increase service costs.

The Company assigned the Legal Department to oversee the business conduct to be in compliance with notifications and rules of NBTC and to be responsible for keeping abreast of changes in related rules and regulations that may have an impact on doing business on a regular basis. They shall also report and cooperate with executives and other related business units in the organization to be aware of the changes and prompted to respond to alleviate any possible impact to the Company’s business.

Risk from the Concession Extension of Radio Business

Radio business is operated and aired through radio broadcasting stations. The Company enters into contracts as co-hosts of the broadcasting stations with a typical 2-year term. In case that the contract has not been extended, it will affect broadcasting continuity and the Company’s revenue. This will include risks from any change in the contract conditions which may result in inferior conditions compared with original contracts which can cause the Company to search for the new radio station or air time as a replacement. Consequently, the Company may incur losses from interrupted business or lose opportunities to create popularity comparable with previous programs or experience higher acquisition costs.

Nevertheless, due to various factors including consistent program quality and popularity, a regular listener base; punctuality on payment terms and fulfillment of payment conditions; and relationship building with the concessioners, the Company believes that it will gain trust and be able to reduce risks that may happen during concession renewals. However, the Company will consider the value of the concession renewal by comparing returns with investment costs. If the concession renewal does not benefit the Company, the concession will not be extended. In the Company approved a renewal of the concession for another 2 years which will finish in 2024.

5) Emerging Risks
Risk from the COVID-19 Pandemic to the Economic System and the Society

The severe and prolonged COVID-19 outbreak for the past 2 years has broadly changed economies and society on local and global scale while uncertainties prevail about the impacts of the pandemic in the future as there may be new variants that can disrupt the supply chain and affect the livelihood of the people as well as business sector and services that are key to the economic recovery. The new normal also influences consumer behavior to continue to change in the manner that is difficult to predict. Under these trends, the Company is forced to adjust fast to be able to offer products and services or content through different channels as preferred by consumers with changing lifestyles.

The pandemic also directly impact the business operations of the Company as it affected the way of work of employees to be more in line with the lives under the new normal. Health and safety have been the major concerns of the Company as it can adversely impact work productivity while building a strong organization culture is full of challenges.

Under the pandemic situation, people have a tendency to be more health-conscious and the Company intends to develop health and beauty products to be a part of the society to encourage people to have good health and to be safe from the outbreak while extending its distribution through online channels with high growth potential. This can be considered as an alternative channel to help accommodate customers as it is less impacted by the outbreak control measures. In addition, online channels incur less service costs compared with traditional channels. Therefore, the Company is confident that the mentioned product and channel development plans are important tools for the Company to sustain growth in the long run in any situation.

For the measures in tackling the COVID-19 situation, the Company set out clear protocols on working with the Company such as checking body temperatures, setting guidelines for external parties to contact the Company, and procuring suitable and effective vaccines of all employees. Moreover, work from home policy was adopted so that employees can work from their residences which helps reduce congestion and chance to be infected at the office while promoting adherence to work productivity and maximum customer satisfaction.

6) Social and Environmental Risk
Risk from Climate Change

Nowadays, level of greenhouse gas emissions is constantly growing which causes global temperature to rise including extreme climate variability, volatile season changes and higher sea level. This impacts food and raw material security as it leads to fluctuations in quantity and quality of products according to the climate. These changes impact livelihood of the people and the Company’s business operations as product manufacturing depends mainly on raw materials or ingredients such as “Vitanature+” that over 70% of ingredients are from natural herbs. As a result, climate variability like flood, drought or forest fire may impact the security of raw material sources both for quantity and quality to be significantly compromised or may cause inability to cultivate according to normal seasons which will in turn impact the Company’s operations.

Nevertheless, the Company selected and commissioned factories with licenses and expertise to be its manufacturers (OEM). The Company pays attention to planning together with the manufacturers on raw material sourcing in Thailand and outside Thailand to ensure that the production is in line with the marketing plan. Currently, the Company already planned ahead for the next 3 months to secure raw materials to prevent impacts from potential

climate change which may result in the scarcity or shortage of raw materials to manufacture the products in the future.

Last but not least, the Company is aware of the risks and strives to play a part in solving climate change problems starting with the goal to build understanding and awareness on environmental conservation for employees. Initially, the Company kicked off a waste sorting project to help employees to separate waste correctly to bring waste of over 10,000 kilograms per year to the recycling process. The long-term goal is also set for the reduction of waste for landfill by 30% (from 2020) as well as adopting the circular economy system for its business conduct to help tackle global warming and resource shortage crisis in the future.

7) Corruption Risk

The Company realizes that corruption risk is considered a severe threat and an obstacle to sustainable development. Adverse effects of corruption risk include financial impacts such as loss of revenue and higher expenses which hurt the Company’s operating performance as well as other impacts such as bad image or loss of credibility.

Through its commitment in conducting business with transparency and emphasis on anti-corruption for all forms of corruption, the Company strictly observes the law, promote social benefits as well as encouraging employees to perform their duties with morality and good citizenship. Furthermore, the Company fosters honesty in the organization by preparing the Code of Conduct, anti-corruption policy and other guidelines and communicate with employees. In addition, the Company signed a joint declaration with the Private Sector Collective Action against Corruption (CAC) and established Anti-Corruption Policy to be practical guidelines for compliance. Note that the Company provides communication channels for all stakeholders to expose information, make suggestions or file complaints related to corruption (whistleblowing) directly to the Audit Committee or the Internal Audit Department through email: ia_anti_corruption@rs.co.th





3) DRIVING BUSINESS TOWARD SUSTAINABILITY

The First Chapter of Our Journey to Sustainability

RS Public Company Limited ("Company") attaches great significance to continuous development on sustainability. 2021 is the second year that the Company prepares the sustainable development report while the Company set the reporting scope to mainly and initially cover our commerce business before extending to other businesses and functions in the future. The objective is to achieve business goals for 3 key dimensions which are environment, society and governance as well as economic development to grow together in a balanced manner.



**F U L F I L L I N G
T H E S U S T A I N A B L E
F O R G O O D L I F E**

RS Sustainability 2022-2025

2020

- Sustainability Policy and Goals
- Corporate Governance Structure and Sustainable Development
- Customer Satisfaction Survey
- Employee Engagement Survey
- Self-Assessment for Sustainability
- Participation in Sustainability Assessment for THSI

2021

- Corporate Governance Policy
- Code of Conduct
- Supplier Code of Conduct for Sustainable Development
- Risk Management Policy
- Whistleblowing Policy and Channels
- Information Technology Policy
- Personal Data Privacy Protection Policy and Guidelines
- Anti-Corruption Policy and Guidelines

First chapter of
the journey to
sustainability



DIVERSITY



**F U L F I L L I N G
T H E S U S T A I N A B L E
F O R G O O D L I F E**

Our ultimate goal for 2025 is to transform the Company to an organization of the future with strength at all fronts, ready to propel business growth with circular economy and carbon neutrality in the future. The Company also aims to attain our social mission to “Inspire and fulfill people with happiness as well as support the United Nation’s Sustainable Development Goal (UN SDGs)”



- 2022**
 - To actively educate employees on sustainable development and include sustainable development in organization-wide OKR.
 - To initiate projects that sustainably create jobs for the society manner with the goal to reach 10,000 jobs by 2025.
 - To reduce water and electricity consumption by 10% and replace with renewable energy.
 - To team up with partners to carry out social and environmental development projects.
- 2023**
 - To continuously enhance workforce diversity policy
 - To assess 100% of suppliers on ESG to mutually promote sustainability in the future.
 - To cut down volume of expired products disposed by landfill approach by 30% through efficient inventory management.
 - To commence on carbon footprint evaluation.
- 2024**
 - To attain 50% use of environmentally-friendly packaging.
 - To reduce 20% of plastic use by adjusting packaging designs.
- 2025**
 - To increase proportion of products with sustainable development to 30%.
 - To reduce 10% of greenhouse gases emissions in production.
- 2026**
 - To drive the Company toward circular economy and carbon neutrality.

Sustainability Achievements in 2021



Outstanding CEO Awards 2021, the Stock Exchange of Thailand



Outstanding Company Performance Award 2021, the Stock Exchange of Thailand



Inclusion in 2021 Thailand Sustainability Investment, the Stock Exchange of Thailand



Top Business Strategy Awards 2021, Business Plus Magazine and University of Thai Chamber of Commerce



“Excellent” rating for 2021 Corporate Governance, Thai Institute of Directors



“100” Score for Annual General Meeting of Shareholders Quality Assessment, Thai Investors Association



“Declaration” to be certified as a member of Thai Private Collective Action Against Corruption (CAC), Thai Institute of Directors



“BBB+” Credit Rating, TRIS Rating Co., Ltd.



MESSAGE FROM CHAIRMAN AND CEO



With strong commitment, we continued to integrate sustainability across the Company and all work process despite the crisis from the COVID-19 outbreak that has impacted economies, societies and businesses at a global scale. This is considered a test to the Company's resilience and ability to manage and care for our stakeholders including employees, customers, suppliers and communities to mitigate impacts from the pandemic.

RS never stops inspiring people in the society and fulfill them with happiness through various initiatives from different business lines such as:

- "RS Care Box" and "RS Care Bag" - medicine containers, medical supplies and necessary consumer products donated to Department of Medical Services and Chatuchak District Office to help COVID-19 patients and alleviate difficulties of people in the communities affected by the coronavirus outbreak.

- "RS Mall for Life - Extending Life" - revenue sharing from all sales and all channels to purchase medical equipment including respirators for community hospitals across Thailand.

- "Well U, Turning Crisis Into Opportunities" - job creation and online sales skill training project for over 10,000 interested people.

- "Channel 8 Sales Support and COOL Sales Support" - free public relations for vendors through TV and radio media and contact channels for small business owners who are in sales and trading businesses.

- "Channel 8, Morning News for Reliefs and Channel 8 Sharing" - programs presenting issues and miseries of people in the society such as environmental issues, natural disasters and poverty.

Even under uncertainty caused by the coronavirus pandemic, we will not compromise on enhancing sustainable development for our business in a continuous manner. We are confident that our executives and employees will together face challenges and obstacles to grow our business to be more efficient, simultaneously with tangible efforts to promote sustainability in our business conduct. Finally, I would like to extend my sincere gratitude toward all stakeholders including our employees for their support and responsibility that enabled us to adapt to fast and relentless change in business ecosystem in the past year. Thanks to everyone, 2021 marks another year of success under unprecedented challenging situation.

Mr. Surachai Chetchotisak
Chairman and Chief Executive Officer
RS Public Company Limited

About the Report

The Company has prepared this Sustainable Development report to show our commitment in accurate and transparent disclosure of key information and performance related to sustainability for stakeholders. The content in this report covers our operations in the areas of environment, society and corporate governance in the past year, from 1 January 2021 to 31 December 2021.

Report Preparation Guidelines

This 2021 Sustainable Development Report discloses information according to 19 sections of the Sustainability Assessment Framework set by the Stock Exchange of Thailand in the One Report format as well as the Global Reporting Initiative G4 (GRI) covering indicators that are related to material sustainability issues, which are attached at the end of the report for quick and easy reference.

This sustainable development report also considers the alignment with Sustainable Development Goals of the United Nations by applying the SDGs as guidelines for strategy formulation so that the Company can achieve growth according to the guidelines and goals which are also disclosed in this report.

Scope of the Report

Considering business relevance, information availability and the Company's key performance for the reporting year and trends for the next 3-5 years, the Company specified the scope of this report to cover mainly commerce business with included highlights from other businesses.

Other Important Notes

This sustainable development report is prepared and presented according to the 56-1 One Report format with reference to information disclosed on the Company's website which is considered a part of the 56-1 One Report. The Board of Directors is fully accountable for accuracy and completeness of these references.

Downloadable in One Report format at

<http://ir.rs.co.th/th/downloads/yearly-reports>

For more information, please contact the responsible team for the report: Ms. Rattapawee Lapnan / RS Public Company Limited

“Investor Relations and Sustainable Development Department”

27 RS Group Bldg., Prasert-Manukitch Rd.Sena Nikhom, Chatuchak,

Bangkok 10900 / Telephone +662 037 8125 / E-mail: sd@rs.co.th /

Website: www.rs.co.th





Performance Highlights Economy

WE DARE

Elevating quality of life for people in the society through inspirations from health and beauty product innovation under global safety standards and seamless data management among RS group to comprehensively address needs of customers.

“Innovation on products, services and processes”

3
projects
to incubate innovation
covering products,
services and processes

600
sku
of products to respond
to diverse needs of
customers

1,000
million THB
of initial investment with
partners to strengthen
the ecosystem

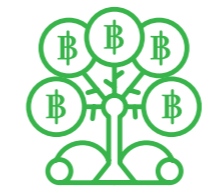
“well u - Turning Crisis into Opportunities”

8,900
people
interested in the project

700
jobs
created for the people
in the society

4,000,000
THB
in value of products
delivered to consumers

“Direct Economic Drives”



Dividend
0.35 baht per share



Total revenue
3,573 million baht



Income tax expense
6 million baht

Sustainability Achievements in 2021



Through our experience and expertise in entertainment business which is our core business and foundation coupled with commerce business, “Entertainmerce” is created as a new business model leveraging on storytelling which is the heart of the Company’s marketing of our products and services. We focus on creating unique shopping experiences and developing distribution channels that are easily-accessible, diverse and innovative to consistently accommodate different customer groups. This includes RS Mall application and Virtual Mall which have been innovated in collaboration with foremost business partners such as AIS Public Company Limited.



The Company managed to successfully transform our business model to be more responsive to change in digital technology and was acclaimed as an exemplary case study on business transformation. Note that the Company never ceases to adjust our strategies and business plans as well as improve work efficiency in all dimensions to thrive through digital disruption and the COVID-19 pandemic. Solid revenue growth and stable profitability in all scenarios are to be ensured including support of initiatives with social and environmental responsibility that are combined uniformly with each business model.

Key Value Delivery in 2021

Business Synergy among the Company

The Company is committed to creating and delivering value from a variety of our products and services through suitable distribution channels and synergies from high-potential business units to meet expectations of stakeholders across the business value chain from upstream to downstream and be mindful of possible impacts on them. This is to be undertaken through our 2 core businesses:

Commerce Business

LIFESTAR★

Developing products through the Company’s distinctive innovations with over 30 products.



Delivering over 1.2 million purchase orders through multiple channels with more than 600 products to a customer base of over 1.7 million people.

Media Business



Offering content and entertainment through dramas, sports and news with over 8 million viewers nationwide.



Developing products through the Company’s distinctive innovations with over 30 products.

Music Business



Introducing songs and content through diverse social media channels with more than 42 million fan accounts. viewers nationwide.

New Business in 2021



Offering a variety of online content through digital marketing with over 1.6 million targets.

Sustainability Guidelines

3.1) SUSTAINABILITY POLICY AND GOALS

“We inspire and deliver knowledge through valuable entertainment and solutions that sustainably enhance quality of life of the people”

The Company is committed to conducting our business under good corporate governance principles as a foundation to drive sustainability. The Company set a clear ultimate goal which is to achieve “balanced growth” for economic, social and environmental dimensions through responsibility and value co-creation between the Company and all stakeholders across the business value chain. To truly elevate sustainability, the Company incorporated issue management related to sustainability as a critical part of business undertaking for all related parties covering all business units, in alignment with the Company’s business strategy in the short run and the long run.

Guidelines and Performance

Commitment to sustainability is considered critical to the Company’s strategy that we initially focus on commerce business as it contributes to more than half of the total revenue and has strong growth potential. The Company has a plan to extend the scope of sustainability management to all businesses in the future to ensure the alignment with policy and a unified direction. This includes the integration of environmental and social aspects in the long term into the Company’s business and investment decision-making. Furthermore, the Company also benefits from organization-wide risk assessment for all business functions which allows us to see new opportunities contributing to the Company’s growth in all areas including economy, society and environment.



In 2021, the Company included sustainable development as an integral part for our business conduct. As a result, the Company fortified its business structure to raise the bar in attaining sustainability goals including an establishment of a unit directly responsible for sustainable development such as a formal sustainability working group to drive efforts and fulfill expectations related to sustainability in both short and long term.

Sustainability Strategy for 2021-2025

The Company brought sustainability issues gathered from stakeholders to be analyzed in conjunction with practical guidelines from regulators while sustainable development is integrated with work processes agreed and approved by the Corporate Governance and Sustainable Development Committee. The purpose is to determine framework, approach, long-term strategy and later formulate operating plans with Prosperity, People and Planet as the core strategy and Principle and Share Value as the supporting strategy.



Sustainability Commitment to High Purpos



Planet

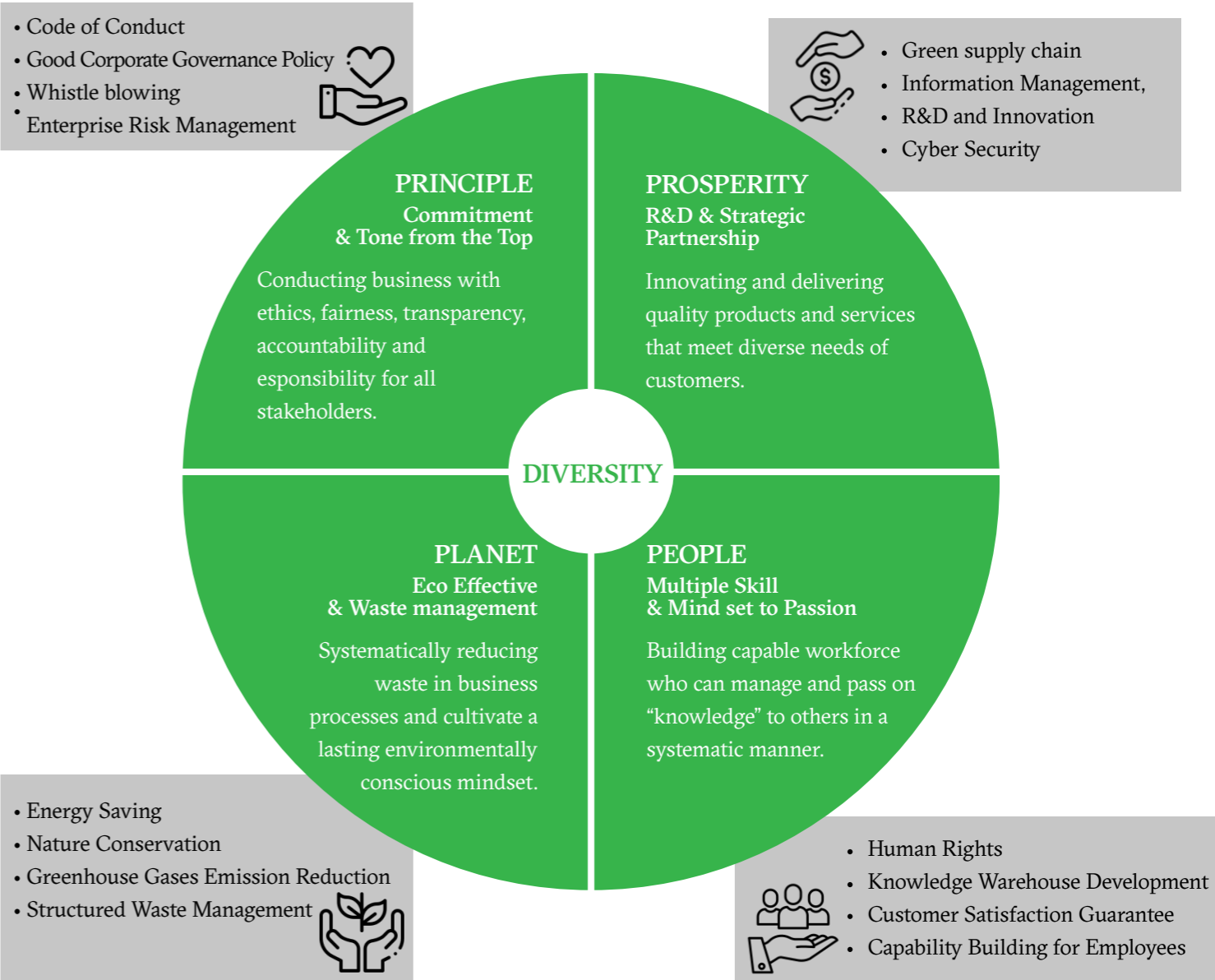
Undertaking business strictly according to environmental laws and regulations, fostering a mindset for employees to utilize resources economically, conserve nature and be aware of environmental impacts across supply chain as well as considering investment with partners who are concerned of the environment.



Share Value

Synergy thorough Entertainmentmerce Business Model for building seamless big data and seamless customer experience Creating value for diverse products and services via extensive distribution channels that synergize each distinctive business to meet expectations of stakeholders across business value chain from upstream to downstream as well as be mindful of impacts on them.

Sustainability Framework and Guidelines 2021-2025



Sustainability Goals and Guidelines by 2025

Core Strategies



Prosperity > We Dare

The Company is among successful companies acclaimed as a business case study for its adaptability to change from modern technology and innovations in order to maintain a leading position in fast-moving business world. We take pride in our entertainment media business that does not only inspire people but also provide direct access for customers to products that suit their needs which help generates stable profit for the Company even under crisis. Moreover, the Company intends to enhance work effectiveness at all fronts to foster social and environmental responsibility.

Sustainability Goals by 2025

- 10% of annual revenue from innovative products launched that particular year.
- 10,000 jobs created through different initiatives of the Company

Sustainability Guidelines

- To promote trade partnership to co-create innovations.
- To develop employee skills to push toward revenue generation from sustainability products.
- To carry out various projects to build careers and generate income for people in the society.



People > We Share

The Company is consistently aware that good society is a baseline for sustainable business growth. Consequently, we promote social involvement and support while our social responsibility is not limited internally to just employees but also externally to include suppliers, customers, communities and the overall Thai society. This endeavor covers fair treatment for employees, talent development, employee health and safety, activities for public interest, whistleblowing policy and mechanism to protect whistleblowers.

Sustainability Goals by 2025

- 50% of vacant executive positions to be filled from internal promotions
- 100% of suppliers assessed on sustainability.
- 95% minimum for customer satisfaction index.
- 50% minimum for brand loyalty index.

Sustainability Guidelines

- To foster a learning organization with provisions of offline and online curricula to enhance employee efficiency.
- To monitor sustainability performance of suppliers.
- To pass on knowledge to students and people.
- To support and donate for communities to promote good quality of life.



Planet > We Care

The Company realizes that number of world population is on the rise which can potentially cause exploitation of natural resources and energy, affecting human and ecosystems. Therefore, the Company encourages people to have a mindset that concerns of utilization of energy and natural resources and acknowledge that it is a material issue and everyone's responsibility to work together to achieve the most efficient utilization. Resources can be reused back in production processes which can alleviate the crisis on resource scarcity that is happening and lead to sustainable growth.

Sustainability Goals by 2025

- 30% reduction of the volume of waste disposed through landfill approach (from 2020)
- 10% reduction of electricity and water consumption (from 2020)
- 50% of packaging made from environmentally-friendly materials

Sustainability Guidelines

- To promote 4R principle through various projects (Reduce, Reuse, Recycle, Recover)
- To adjust business processes to mitigate environmental impacts
- To cultivate socially-responsible mindset for employees and stakeholders.

Supporting Strategies



We Fair

Principle

The Company is committed to conducting our business under good corporate governance principles as a foundation to drive sustainability. The Company set a clear ultimate goal which is to achieve “balanced growth” for economic, social and environmental dimensions through responsibility and value co-creation between the Company and all our stakeholders across the business value chain. To truly elevate sustainability efforts, the Company incorporated issue management related to sustainability as a critical part of business undertaking for all related parties covering all business units and in alignment with the Company's business strategy in the short run and the long run.

Sustainability Goals by 2025

- “Excellent” rating from corporate governance evaluation from the Thai Institute of Directors
- “100” scoring (full score) from Quality Assessment of Annual General Meeting of Shareholders Project from Thai Investors Association
- 100% of employees completed anti-corruption and code of conduct training.

Sustainability Guidelines

- To establish good corporate governance structure at all levels at the Company.
- To foster good corporate governance internally within the organization and with stakeholders.
- To promote understanding and acknowledgment through relevant training.

Share Value

The Company has a strong intention to manage stakeholders effectively and fairly by adopting practical guidelines to identify key stakeholders and incorporate expectations of stakeholders into the operations of every unit consistent with business strategy of the Company. Monitoring and communication with stakeholders must be in place while the Company emphasizes relationship building with key stakeholders including shareholders, employees, customers, suppliers, government, communities and society. This objective is to co-create value and achieve balanced growth in the future together.

Sustainability Guidelines

- To share knowledge and experience from the Company's operational excellence for people in the society.
- To build network of experts inside and outside the organization.
- To incorporate sustainable development as a part of business operations.
- To apply knowledge from training to practical work as well as continuously assess and enhance sustainable development process.
- To disclose sustainability performance in a transparent manner, in alignment with international reporting guidelines.

Driving and Monitoring Sustainability Strategy

The Company appointed “Corporate Governance and Sustainable Development Committee CG & SDC)” to be directly responsible for pushing forward integrated efforts on sustainability while “Sustainable Development Working Team” is assigned to be the operational taskforce who reports performances related to ESG practices to the Corporate Governance and Sustainable Development Committee and proposes the Board of Directors on a quarterly basis.

The Corporate Governance and Sustainable Development Committee has the following roles and responsibilities:

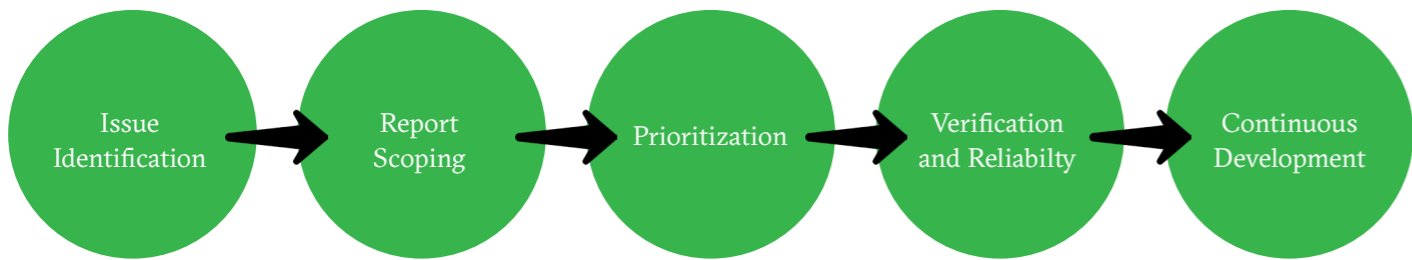


The Company conforms to the 5-year sustainable development plan (2021-2025) as guidelines and already completed over 30% of the plan while key performances in each category are disclosed in complete.

Nevertheless, the Company shall review the sustainable development plan annually to keep up with global change in accordance with the Sustainable Development Goals of the United Nations covering international standards and in alignment with the Company’s business directions. This reflects our firm intention to conduct business with environmental, social and governance considerations as well as deliver maximum return to all stakeholders.

Evaluation and Identification of Sustainability Issues

Sustainability issues are issues that can positively or negatively affect, with significance, the Company’s decision-making process, performance and stakeholders for short, medium and long term covering economic, social and governance aspects.

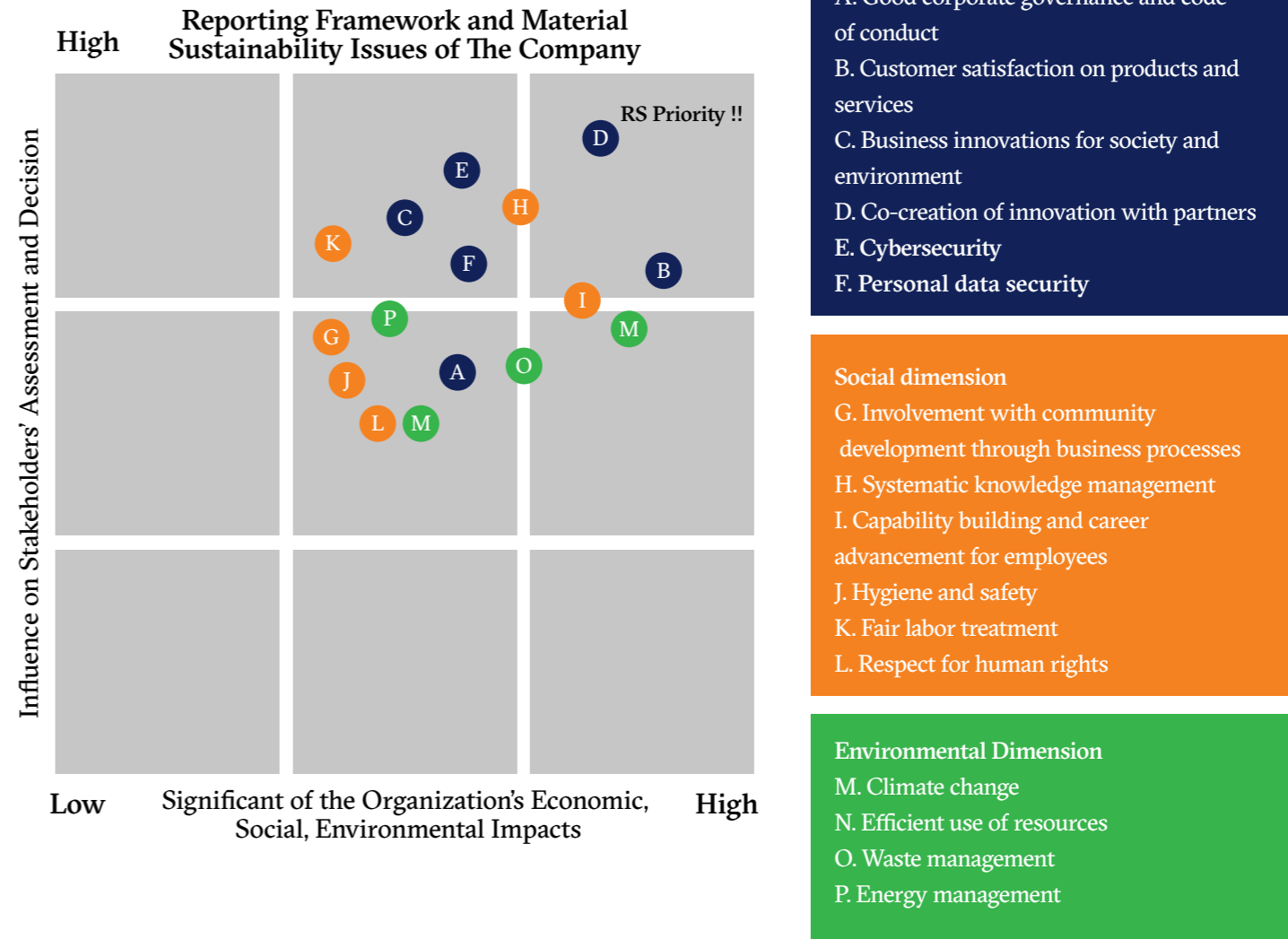


Important Evaluation Process

- 1) Issue Identification
The Corporate Governance and Sustainable Development Committee has a duty to evaluate and select sustainability issues by considering comments and supporting information from all stakeholders via various channels as well as the Company’s risks, business strategy, impacts and expectations of stakeholders, sustainability guidelines and international sustainable development trends.
- 2) Report Scoping
Scope of each issue is determined by taking into account impacts to the Company’s business operations and both internal and external stakeholders.

- 3) Prioritization
Selected issues will be prioritized based on opportunities and impacts to the Company and all stakeholders while the content of the report will focus on 3-5 key issues with materiality before extending to other issues.
- 4) Verification and Reliability
The Corporate Governance and Sustainable Development Committee plays a role in tracking and reviewing progress and sustainable development reporting as well as giving advice so that the process is complete covering material issues of the Company and all stakeholders. Disclosure of policy and other relevant information shall also be approved by Corporate Governance and Sustainable Development Committee.
- 5) Continuous Development
The Company prepares the sustainable development report with the purpose to disclose important information to investors and the general public to ensure their awareness of all dimensions with the hope that the report is prepared according required standards. The Company welcomes comments and suggestions from all stakeholders through different channels such as participation in sustainability reporting awards, customer satisfaction survey, self-evaluation form for suppliers or questionnaires for report users’ opinions.

Key Evaluation Results



Material sustainability issues of the Company for 2021-2025 were approved at the meeting of the Corporate Governance and Sustainable Development Committee as well as considered and acknowledged by the Board of Directors.

Priority and Support to the United Nations' Sustainable Development Goals for 2021-2025

Material Issues	Goals	Current Efforts	Work Plan to Attain Goals	(SDGs)
1) Customer satisfaction on products and services	To maintain customer satisfaction level and minimize customer complaints through listening to customers to improve every step of work processes.	Testing and monitoring information services from employees to ensure accuracy and completeness ,providing channels for accepting complaints and ensuring personal data security.	To produce and deliver quality products with certified safety standards and to elevate service standards to international levels.	<div>3</div> <div>8</div> <div>9</div> <div>12</div>
2) Co-creation of innovation with partners	To create quality products and services to address diverse needs and trends of customers.	Selecting and commissioning manufacturing plants with R&D capabilities to speed up operations while focusing on safety.	To clearly allocate investment budget and establish R&D unit for the Company as well as select suppliers with expertise for co-creation.	<div>3</div> <div>8</div> <div>9</div> <div>12</div> <div>17</div>
3) Systematic knowledge management	To develop knowledge warehouse to be a channel for self-improvement, ready to share and pass on valuable knowledge to people in the society	Creating new knowledge consistent with the organization's strategy and gathering existing knowledge to be systematically recorded and developed.	To develop curricula and channels to access knowledge sources in various ways and encourage measurable self-learning.	<div>4</div> <div>8</div> <div>9</div>
4) Capability building and career advancement support for employees	To enhance employees' capabilities to be more diverse and agile with a good attitude, ready to learn and accept strategy and goals of the organization to truly grow together with the organization.	Selecting employees to be in line with the Company's strategy, carrying out activities through skill development projects and conducting performance evaluation on employees using OKR framework.	To enhance capability building processes for employees at individual level, promote career advancement communication and improve quality of life of employees in other aspects.	<div>3</div> <div>4</div> <div>8</div> <div>9</div> <div>16</div> <div>17</div>
5) Efficient Use of Resources	To instill a good mindset to conserve energy and resources close to us to last longest including use of renewable energy sources to stop global warming.	Strictly complying with regulations and participating in all activities that demonstrate environmental and social responsibility.	To improve business processes to fully realize the value of energy and natural resources and reduce waste in production as well as provide knowledge to foster right mindset.	<div>4</div> <div>9</div> <div>11</div> <div>12</div> <div>16</div> <div>17</div>
6) Systematic waste management	To mitigate social and environmental impacts by organized waste management.	Learning and supporting orderly garbage and waste sorting as well as disposing waste by correct and suitable approaches	To promote 4R principle through various projects (Reduce, Reuse, Recycle, Recover)	<div>4</div> <div>9</div> <div>11</div> <div>12</div> <div>16</div> <div>17</div>

Reporting Scoping on Sustainability Issues According to Guidelines of the Company and GRI

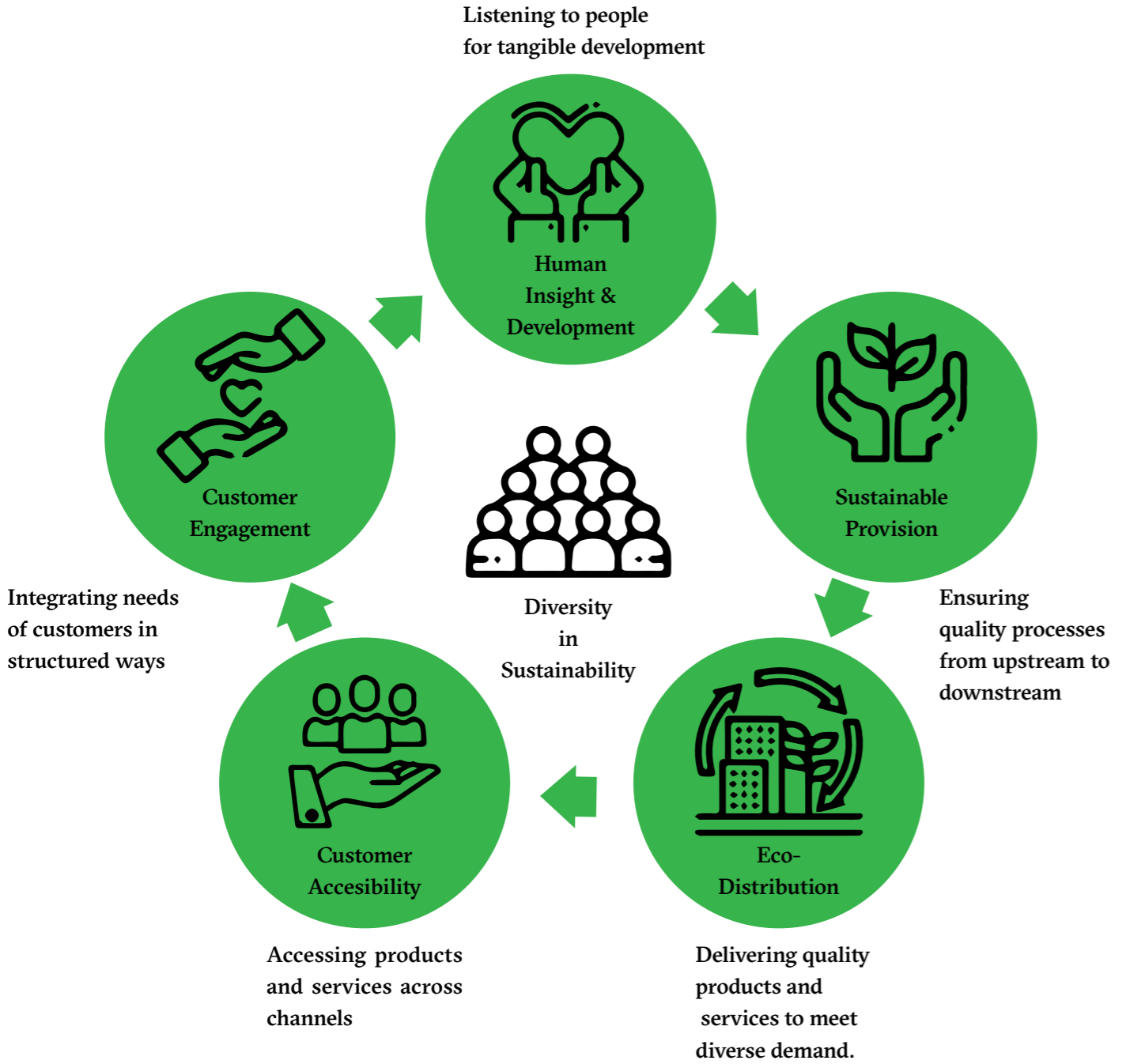
Dimension	Sustainability Issues According to the Company's Guidelines	Sustainability Issues According to GRI Guidelines	Scope of Stakeholder Impact	
			RS	Outside RS
Corporate Governance satisfaction on	Good corporate governance and code of conduct	Good corporate governance, code of conduct, honesty and anti-corruption	✓	Shareholders, creditors, suppliers, regulators
Economy	Business innovations for society and environment Co-creation of innovations with suppliers	Business innovation development	✓	Suppliers, customers, regulators
	Supply chain management	Supplier evaluation on employment, environment and human rights		
	Brand management	Good corporate governance	✓	Shareholders, suppliers, customers
	Customer satisfaction on products and services	Responsibility for customers	✓	Suppliers, customers
Society	Product quality and consumer safety	Customer responsibility through information displaying on labels	✓	Suppliers, customers, regulators
	Cybersecurity and personal data security	Good corporate governance, customer privacy, compliance		
	Hiring and retention of high-potential people	Diversity and equal opportunity, employment, occupational health and safety	✓	Society, regulators
	Capability building and career advancement for employees			
	Health and safety			
	Systematic knowledge management	Training and knowledge sharing		
	Fair labor treatment and respect for human rights	Fair treatment for employees and labor		
Community and society engagement	Responsibility for community and society			
สิ่งแวดล้อม	Environment management, waste management	Management of garbage, waste and pollution	✓	Communities, society, regulators
	Efficient use of resources	Energy management, water management, use of renewable energy, use of alternative energy		
	Energy management			
	Greenhouse gas management	Greenhouse gas management		

3.2) IMPACT MANAGEMENT FOR STAKEHOLDERS ACROSS BUSINESS VALUE CHAIN

Understanding needs and expectations on sustainability of all groups of stakeholders is crucial to the Company as reflected in practical guidelines to communicate with stakeholders and identification of material issues. The objective is to ensure that the Company is able to discover, predict and respond in a precise manner as well as create new products and services to meet diverse needs of customers while keeping track of our vision for economy, society and environment.

3.2.1) Business Value Chain Analysis

The Company is committed to inspiring and fulfilling people through entertainment and offering of creative and valuable solutions under “diversity in sustainability” concept that considers sustainable development in all dimensions as a key driver, integrated with business value chain to align sustainability with business strategy.



Relationship between sustainability activities and business undertaking is to be defined to promote value added for products and services as evidenced by value delivered to stakeholders participating in each activity. Activities across value chain can be classified into 2 groups per following.

Primary Activities
is a seamless integration of 5 main activities of the commerce business per following

Activity in Value Chain	Identification of Relevant Activities	Identification of Stakeholders
1) Human Insight & Development Listening to people for tangible development Value chain starts with human insight to understand needs and expectations of the people, directly and indirectly, then apply the insight for improvements to close the expectation gaps of what organization responds to customers.	<ul style="list-style-type: none">- Customer segmentation to cover all market segments.- Collection of information and customer behavior through diverse channels.- Market and consumer behavior surveys, inquiries for sample groups or target groups, sales recording and reporting, customer complaint filing and field information.- Analyses of diverse customer needs.	<ul style="list-style-type: none">- Customers.- Contractual parties / Researchers (in case of own brands).- Suppliers / Business Partners (in case of distributing brands from other manufacturers)- Society, trending demand during those particular periods.- Employees who accept purchase orders or customer complaints.
2) Sustainable Provision Ensuring quality across processes Management of factors of production or inbound logistics is considered activities that focus on supporting production inputs and relationship with suppliers Operations covers activities that are related to turning raw materials or inputs into development of products and services available for distribution. This involves selection of manufacturing plants and product selection from business partners to be distributed through the Company's sales channels.	<ul style="list-style-type: none">- R&D of products that address needs of diverse customers, remain up to date and meet safety standards.- Procurement of quality raw materials and considerations of using local raw materials.- Fair procurement and vendor selection processes without trade barriers, discrimination and fraud.- Selection of plants that meet standards, comply with rules and alleviate impacts on communities and environment.- Adoption of modern technology and incubation of innovation in effective raw material production and processing.- Quality assurance and control for products to be up to specified standards.- Safety concerns, reduction of waste in production process and mitigation of environmental impacts.- Suitable packaging to maintain quality of products and use of eco-friendly materials.	<ul style="list-style-type: none">- Contractual parties / Researchers (in case of own brands).- Suppliers / Business partners (in case of distributing brands from other manufacturers).- Local and foreign raw material manufacturers.- Government agencies / regulators who supervise raw material standards.- Employees responsible for sourcing and procurement of raw materials.- Original equipment manufacturers.- Employees working in production roles.- Government agencies / Regulators who supervise raw material standards- Packaging manufacturers/- Communities and society in the proximity of the plants.

Activity in Value Chain	Identification of Relevant Activities	Identification of Stakeholders
<p>3) Eco-Distribution Delivering quality products and services to meet diverse demands. Warehouse management and product distribution or outbound logistics are activities and channels for product transportation and delivery to effectively reach customers or consumers.</p>	<ul style="list-style-type: none"> - Good locations convenient for logistics with overall management systems that are environmentally friendly. - Adoption of modern technologies to manage purchase orders more efficiently. - Efficient warehouse management to maintain product quality. - Selection of logistics providers with standards and fair selection and procurement processes. - Product transportation and delivery that are accurate, on time and with quality services. 	<ul style="list-style-type: none"> - Logistics providers. - Employees working in warehouses. - Warehouse owners or industrial estates where plants are located. - Suppliers or contractual parties of warehouse management programs. - Consumers. - End users/Distributors (through other channels not owned by the Company) - Communities and society in proximity of warehouses
<p>4) Customer Accessibility Accessing products and services across channels. Marketing and sales are activities related to purchasing decisions made by customers to conveniently access to products and services through a variety of channels.</p>	<ul style="list-style-type: none"> - Offline and online shops in multiple channels available for consumers. - Proper product pricing and marketing campaigns. - Accurate and complete product information offered to consumers via all communication channels. 	<ul style="list-style-type: none"> - Customers / Distributors (through other channels not owned by the Company) - Employees with roles to provide product information/ sales team.
<p>5) Customer Engagement Integrating needs of customers in structured ways. After-sales services are activities that provide services to customers post-sales and listen to their voices to ensure maximum customer satisfaction.</p>	<ul style="list-style-type: none"> - Product warranty and satisfaction guarantee. - Customer relationship management systems to accept comments and suggestions. - Channels for complaints and whistleblowing. 	<ul style="list-style-type: none"> - Customers / Distributors (through other channels not owned by the Company). - Employees with roles to receive information from customers / sales team.

Support Activities

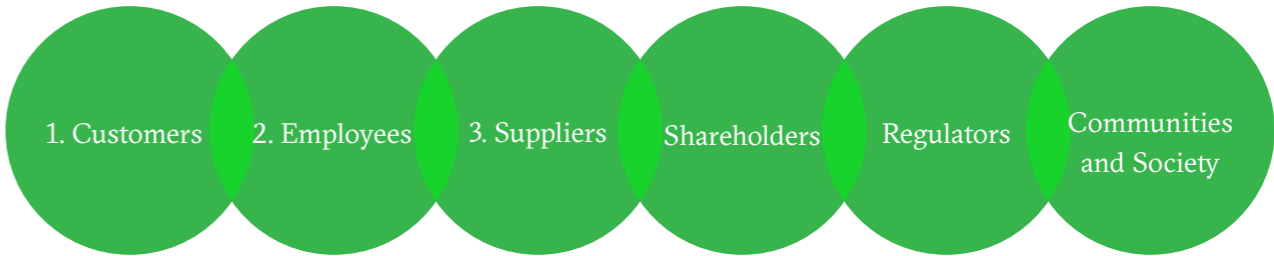
Support activities is secondary activities that support primary activities to attain goals with no less importance than primary activities. The Company organizes activities with prudence in compliance with proper management practices including human resources management, IT development, corporate image and communications management as well as finance and accounting system management.

3.2.2) Analysis of Stakeholders Across Business Value Chain

Stakeholder Engagement Policy

The Company is committed to managing stakeholders efficiently and fairly by adopting practical guidelines to determine key stakeholders and incorporate stakeholder expectations as a part of business conduct covering all business units and consistent with the Company’s business strategy. Proper supervision and communication are in place to engage all groups of stakeholders.

The Company prioritized 3 groups of key stakeholders to focus efforts on relationship building which are 1. Customers 2. Employees and 3. Suppliers while other stakeholder groups include shareholders, government agencies or regulators, communities and society. The objective is to mutually achieve value co-creation and balanced growth.



Stakeholder Engagement Framework

- 1) Stakeholder classification and analysis
Classify primary and secondary stakeholder groups to analyze risks as well as direct and indirect impacts and identify suitable engagement channels to collectively determine sustainability issues.
- 2) Listening and Involvement
Provide communication channels both offline and online including face-to-face meetings with responsible officers on a regular basis. Ensure that channels are in place to accept suggestions, complaints and whistleblowing while undertaking surveys on needs, satisfaction and engagement as well as conducting focus groups, meetings and other mutual activities according to processes and guidelines frequently.
- 3) Response
Determine proper response processes to needs, complaints or requests of each stakeholder group with complete, adequate and timely communication and information disclosure. Information obtained is to be analyzed according to specified response processes, leading to improvements of internal processes in the future.



Responses to Stakeholder Expectations

After gathering expectations from stakeholders, the Company summarized guidelines to respond to those expectations to reflect collaborations and co-creation between the Company and all stakeholders and mitigate risks from business conduct as well as generate value added for the business.

Stake holders	Engagement Channels	Recommendations / Expectations /Interests of Stakeholders	Responses to Stakeholder Expectations
Share holders and investors	<ul style="list-style-type: none">- Annual general meeting / extraordinary meeting of shareholders.- Quarterly performance presentations.- Investment promotion activities such as road show, opportunity day, open house, company visit, site visit, one on one meeting, group meeting, analyst meeting, business direction meeting.- Annual report, Form 56-1 One Report.- Communication channels such as website, e-mail, phone, Line, Facebook, Twitter and Youtube.- Whistleblowing channels.	<ul style="list-style-type: none">- Satisfactory and tangible performance and continuous and stable growth.- Sustainable development in all dimensions.- Share price that reflects actual value of the Company.- Consistent dividend payment.- Good corporate governance with transparency and accountability.- Information disclosure that is accurate, complete and timely.	<ul style="list-style-type: none">- Manage business to deliver stable and balanced growth in economic, social and environmental dimensions.- Perform duties with honesty in compliance with corporate governance principles and the code of conduct without seeking personal benefits or benefits of others using any information not disclosed to the public or engaging in any action with potential conflict of interest to the Company.- Support anti-corruption for all types of corruption.
Employees	<ul style="list-style-type: none">- Town Hall Meeting for top management and employees on a yearly basis.- Recreational activities such as New Year Party, Christmas Day and Loy Kratong Festival.- Activities to enhance quality of life of employees such as Money Expo and fitness sessions.- Engagement / satisfaction survey.- Communication channels such as website, e-mail, phone, Line, Facebook, Twitter and Youtube.- Meeting of Staff Welfare Committee.- Employee performance evaluation every 6 months using OKR framework.- Exchange of opinions, agreements, work approaches between supervisors and employees every 6 months.- Whistleblowing channels.	<ul style="list-style-type: none">- Suitable and fair compensation and rewards- Welfare and benefits higher than statutory levels.- Training and skill development- Opportunities for career advancement and stability.- Safe and proper work environment according to occupational health and safety standards.- Information disclosure and communication on business directions on a regular basis.- Happiness at work and work-life balance.- Fair employee treatment under human rights principles without exclusion and discrimination.- Acceptance and opportunities for employees with gender diversity.- Fair employee treatment under human rights principles without exclusion and discrimination.- Acceptance and opportunities for employees with gender diversity.	<ul style="list-style-type: none">- Manage employee compensation to be consistent with the Company's performance in short term and long term and adopt proper performance management systems using OKR framework.- Provide proper employee welfare and benefits such as provident fund, social security fund, health benefits, annual medical check-up and special prices for food and drinks.- Offer capability building for employees and fair career progression.- Manage office spaces to ensure occupational health and safety standards such as green spaces, smoking zones, employee canteens and recreational corners.- Select and hire employees according to human rights principles focusing on equality, diversity, non-exclusion and non-discrimination against race, religion, color or gender as well as seek capabilities that are suitable for business models.- Provide channels for 2-way communications.

Stake holders	Engagement Channels	Recommendations / Expectations /Interests of Stakeholders	Responses to Stakeholder Expectations
Consumers and Customers	<ul style="list-style-type: none">- Customer satisfaction surveys.- Opportunities to visit the Company such as site visit, open house or business directions events- Communication channels such as website, e-mail, phone, Line, Facebook, Twitter and Youtube.- Whistleblowing channels.	<ul style="list-style-type: none">- Proper pre-sales services with accurate and timeline product information provided by employees.- Delivery of quality products that are safe, accurate, timely and up to standards.- Transparent and timely purchase and delivery status tracking.- Proper after-sales services with product warranty and satisfaction guarantee.- Environmentally friendly production processes.- A variety of products that follow trends and suit customer needs.- Easy access to products through diversified offline and online channels.- Proper pricing and suitable marketing campaigns.	<ul style="list-style-type: none">- Manufacture products that are safe and up to standards.- Promote environmentally friendly product innovations that address customer needs.- Deliver information, products and services with quality, accuracy and timeliness according to specified standards.- Assign customer services officers to provide information both before and after sales.- Extend distribution channels to be more accessible and effective.- Conduct customer satisfaction surveys.- Implement measures to protect personal data privacy for customers.- Offer channels for 2-way communication.
Suppliers / Contractual parties / OEM	<ul style="list-style-type: none">- Meetings with suppliers / contractual parties- Opportunities to visit the Company such as site visit, open house or business directions events- Communication channels such as website, e-mail, phone, Line, Facebook, Twitter and Youtube.- Whistleblowing channels	<ul style="list-style-type: none">- Transparent and fair procurement without monopoly, trade barriers or fraud.- Appealing, proper and fair compensation.- Co-creation for long-term and sustainable business conduct.- Occupational health and safety.- Contract fulfillment and confidentiality.- Fair contractual agreements for all parties.- Accurate and timely debt repayment.	<ul style="list-style-type: none">- Treat suppliers fairly with transparency and accountability and prohibit monopoly, trade barriers and all forms of corruption.- Provide fair contract formats and compensation for procurement.- Make duly payment under specified conditions.- Promote collaborations, innovations and knowledge sharing.- Maintain good relationships and confidentiality.- Share common goals to manufacture quality products that are safe for customers.- Ensure compliance with occupational health and safety standards.

Stake holders	Engagement Channels	Recommendations / Expectations /Interests of Stakeholders	Responses to Stakeholder Expectations
Government Agencies / Regulators	<ul style="list-style-type: none"> - Continuous involvement in various activities and initiatives. - Reporting and information disclosure - Whistleblowing channels. 	<ul style="list-style-type: none"> - Compliance with rules, regulations and laws in all dimensions. - Information dissemination on business conduct that is accurate, appropriate and timely. 	<ul style="list-style-type: none"> - Comply with laws and regulations. - Combat all forms of corruption. - Provide information and be collaborative as requested by regulators.
Communities and Society	<ul style="list-style-type: none"> - Surveys and field trips to meet with community leaders on a regular basis. - Continuous involvement in various activities and initiatives - Communication channels such as website, e-mail, phone, Line, Facebook, Twitter and Youtube. - Whistleblowing channels 	<ul style="list-style-type: none"> - Engagement and trust from communities and society. - Prevention of environmental impacts according to requirements. - Quality of life enhancement for people in the society. - Involvement with communities and society. - Efficient utilization of resources. 	<ul style="list-style-type: none"> - Create value and develop communities based on sustainable development principles through knowledge sharing with people. - Control emissions to be within standards. - Promote business process improvements to minimize impacts to society and environment. - Utilize resources properly and minimize waste in production processes. - Support activities that create value to society, communities and environment on a regular basis. - Open for suggestions from communities around the premises to find solutions to settle complaints together.



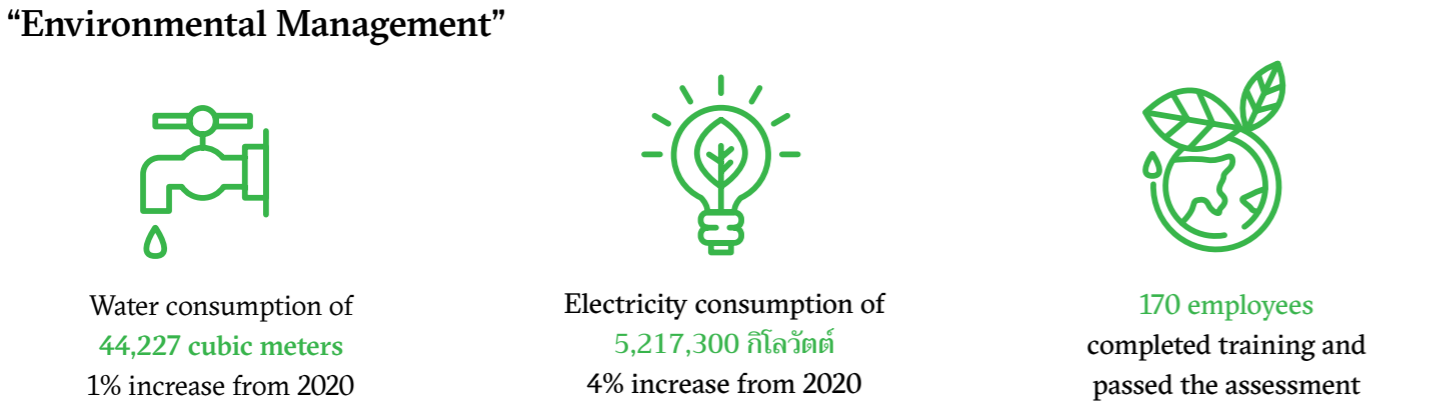
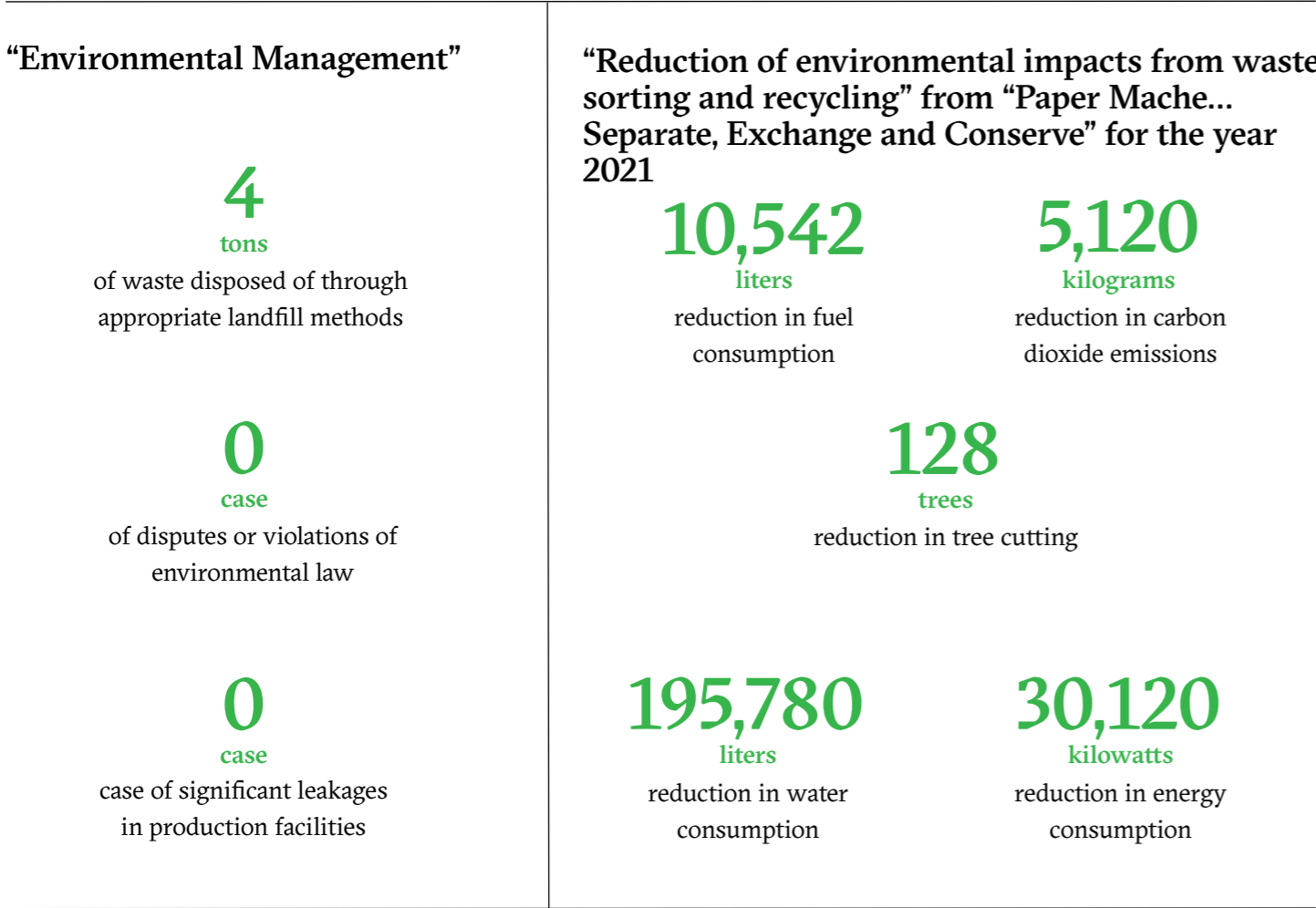
3.3) ENVIRONMENTAL MANAGEMENT

Performance Highlights

Economy

WE CARE

Conduct business in strict compliance with laws and regulations related to environment and raise awareness for employees to utilize resources efficiently by conserving nature and taking in to consideration environmental impacts across the supply chain as well as considering investments with business partners who are environmentally responsible.



Environmental Management

The Company is committed to operating its business in compliance with laws, rules and regulations related to the environment covering the proper use of energy and natural resources with realization of their values, systematic waste management, management and control of environmental impacts from business operations across the organization's supply chain. It also encourages employees to have a good mindset and responsibility towards the environment. Moreover, the Company takes into consideration environmental management issues when joint investment with business partners is concerned.

The Company set an initial goal to build understanding and awareness of environmental conservation for employees starting from a project to educate employees how to dispose of waste properly. 10,000 kilograms of paper waste are to be recycled as well as the long-term target to reduce quantity of waste for landfill by 30% (from 2020) and to adopt the circular economy system to the Company's operations in order to mitigate the global warming and resource scarcity crisis in the future.

Environmental policies and management targets were approved by the meeting of the Corporate Governance and Sustainable Development Committee and proposed to the meeting of the Board of Directors for consideration and acknowledgement.

Practices

- 1) Strictly comply with laws, rules and regulations related to the environment.
- 2) Regularly review policies, management plans and follow up on environmental performance.
- 3) Support the use of technology and operating procedures with environmental standards considering correct and appropriate quantity control and waste management.
- 4) Drive environmental assessment to be part of the supply chain management.
- 5) Disclose environmental information of the Company in a correct and transparent manner through various channels.
- 6) Educate, create awareness and support activities for employees at all levels to be responsible for the environment.

Assessment of Environmental Impacts

In 2021, the Company assessed environmental impacts from its business operations for all aspects including impacts to the ecosystem, climate change or adverse impacts to natural resources and found that the environmental issues

are not regarded as the most urgent or severe for the Company in the near term. Nevertheless, the Company has adequately and appropriately established good practices according to occupational health and safety principles and began to set environmental targets for relevant operations.

Performance

Besides, the Company has also monitored and assessed its compliance with laws, rules and regulations that are related to the environment on a regular basis. This is to ensure that employees and those involved are properly informed and strictly comply with. In 2021, the Company had zero record of activity that violates laws or environmental regulations which resulted in no related fine or charge. In addition, the Company extended its scope of environmental management to suppliers and prepared a self-assessment form for suppliers that applies criteria regarding environment management as a part of the Company's vender selection process including other aspects (See more details at “Supply Chain Management”)

Policy on Efficient Use of Energy and Resources

Realizing that the rising global consumption of energy and natural resources affects people's livelihood and the balance of the ecosystem, the Company is dedicated to taking part in driving business towards the circular economy and carbon neutrality through its adoption across the Company's value chain.

To help foster environmental-conscious mindset for people in the society and optimize the use of energy and natural resources, the Company supports various activities to promote knowledge and awareness among employees so that they realize that energy and resource conservation is their responsibility to work together with other parties.

Participation in Supporting the Sustainable Development Goals of the United Nations.



Practices

5R for Good Habits to Reduce Waste

- 1) Strictly comply with laws, rules and regulations related to energy and resource consumption.
- 2) Regularly review policies and management plans, and follow up on the performance.
- 3) Promote the concept of 5R direct conservation: Reduce, Reuse, Recycle, Repair, and Reject.
- 4) Support the use of technology in production processes related to saving energy and resources.
- 5) Support activities that raise awareness among employees at all levels to be responsible for the environment.
- 6) Organize work areas in energy-saving buildings in order to be a part to attain the most efficient use of natural resources.



Assessment of efficient consumption of energy and resources

In the first phase, the Company focused on internal activities to educate and raise awareness for internal employees with the intention to change their mindset on sustainable consumption of energy and natural resources in everyday life.

Performance

In 2021, the Company undertook 3 projects to promote efficient consumption of energy and resources which are 1) “Paper Mache... Yak Lak Rak (Separate, Exchange and Conserve)” project to sort paper waste from the headquarter for the recycling process 2) “RS -Rak Loke Hai Tem Roi (Love Earth 100%)” project to educate employees and evaluate their understanding on the environment and 3) “RS Ruam Jai Prayud Nam Prayud Fai Hai Loke Ra” (RS United - Save Water, Save Electricity, Save Earth” project to encourage employees to take part in efficient energy and resource utilization with the following details.

“Paper Mache... Yak Lak Rak (Separate, Exchange and Conserve)Year 2” Project



Target Group : All employees at RS headquarter and to be extended to the Company’s warehouse in 2022.

Objective : To encourage people to separate paper from the source and make users of such paper recognize the value of used resources while aiming to increases the country’s waste paper recycling rate and quality.

Operating Period : 2020-2021 with a possible extension as seen appropriate.

Project Operations:

- 1) Join forces with SCG Packaging Public Company Limited, a business partner with expertise who shares knowledge on paper sorting.
- 2) Conduct public relations across the organization through activities and communication on various media such as PR boards, internal emails and desktop screensavers of employees’ computers to provide all employees with the knowledge of correct paper sorting procedures.
- 3) Participate in paper collection and bring used paper to the recycling boxes arranged at various locations
- 4) Sends collected paper directly to a paper plant that meets required standards to undergo the recycling process
- 5) Estimate the value of used paper and exchange it for new A4 paper to bring back for usage in office. The allocation of new paper will be according to the proportion of used paper submission.

Expectation : Sort and recycle 10,000 kilograms of paper a year



Summary of Performance :

A total of 7,530 kilograms of used paper was recycled, or equivalent to 75.3% success rate with an accumulative quantity since the project inception of 8,810 kilograms

Note that quantity of collected used paper was below target due to work from home policy that caused lower use of paper.

Throughout the project, the Company managed to exchange used paper with recycled paper to be back in use at the organization in the amount of 200 reams or 100,000 sheets or equivalent to 124 trees saved. This is considered a good start of the project to be continued in the future together with other activities to foster a concept of efficient resource utilization for everyday life and focus on business process improvements in parallel with good environmental management.

Environmental Saving Report



“RS -Rak Loke Hai Tem Roi (Love Earth 100%)” Project



Target Group : Employees and general population

Samples of activities

Objective : Create and deliver knowledge and understanding on efficient energy and natural resources consumption to be a part to inspire people in the society and foster an environmentally conscious mindset to start taking care of the environment through behavioral changes in everyday life via social medial such as Facebook, Twitter and website.



Operating Period : Educational phase July-September 2021
Supporting activities and knowledge assessment phase October-December 2021.

Project Operations:

- 1) Educate employees and people by publishing 100 articles on environmental conservation on online social media.
- 2) Conduct a knowledge assessment for employees after their environmental conservation training program while employees must exceed the minimum score to pass the program.
- 3) Organize additional educational activities in different formats to foster a responsible mindset and understanding on the environment as well as giving opportunities for employees to freely express their ideas.



Expectation :

- 1) Knowledge is delivered to 5,000 people via online social media.
- 2) Employees has a good understanding of efficient natural resource consumption and passed the knowledge assessment with the minimum score of 80%.

Summary of Performance : Throughout the project, over 4,500 people in the society were communicated via articles published on various social media, equivalent to 90% success rate from the target of 5,000 people.

For the knowledge assessment of employees, 100% of employees have average scores that passed the minimum threshold of 80.

As for activities to promote independent ideas, the Company provides an opportunity for employees to participate in sharing new ideas to build on and initiate new projects to elevate the social and environmental performance of the Company. For instance:



Encourage waste sorting from the starting point to send for disposal or recycling with proper approaches; for example, paper and plastic to be sent for recycling factories and food waste to be used as fertilizers for agricultural purposes.



Exchange garbage for recycling for points to be collected and traded for coffee at the cafe, food in the canteen or for purchases of the Company's products from RS Mall or concert tickets from RS Music.



“Exchange Trash for Useful Items” project such as exchanging plastic bottles with eggs or collecting items and donating to communities or foundations on a monthly basis.



Establish a volunteer club to take care and improve the environment at the workplace by organizing interesting activities such as knowledge-sharing sessions and field activities to preserve the environment or plant trees to promote green spaces.

The Company remains focused on creating and delivering useful knowledge to people in the society to be a part to inspire a little change in behavior that can lead to big change for the world in the future.

“Gool Labels Tell Sources” Project



Nowadays, “environment” matters for the consumers but is still perceived as difficult to approach and none of the responsibility for oneself but the brands to manage. Labels on the products are considered the simplest way to communicate brands with consumers including messages on environmental conservation.

The Company developed a dietary supplement brand called “Vitanature+”, made from 5 types of herbs that are beneficial to the body and manufactured by modern innovation. This product is perfect for consumers in digital age whose time is limited but eager to consume herbs. The Company started by penetrating core customer groups over 35 years old who make buying decisions based on quality, credibility and value for money. There are currently 5 formulas to support the expansion of customer base to new customers who are increasing health conscious.

The Company spotted the opportunity to elevate Thai herbal products using new technology to obtain herbal powder to become herbal extracts which is highly concentrated that make it simple to consume. Apart from value for money and holistic healthcare approach, information presentation is straightforward and carries precise sales points of each formula while PR campaigns are conducted through various channels with information disclosure on product labels that create interest and confidence in consumers.

Target Product : Dietary supplement products under “Vitanature+” brand for all formulas.

Objective : To procure a label with materials under sustainability standards .

Operating Period : Available in the market since February 2021.

Project Details : A label certified by FSC standards was selected for the packaging design of Vitanature+, a dietary supplement with natural properties, to demonstrate commitment and unity to raise awareness among consumers on the importance of social and environmental concerns in the supply chain.

Details on FSC : Forest Stewardship Council™ (FSC) was founded as a non-profit organization with multiple stakeholders who jointly formulate policies on environment, society and economy to ensure that global forest management is conducted with responsibility, intense certification process and transparency. FSC has standards that are widely accepted from buyers in the market at international level. Products with FSC labels are audited across the supply chain to ensure that they come from commercial planted forests that are managed responsibly.

Commercial planted forests or forests certified by FSC standards cover natural forest management and forest parks with tree planting to replace trees that are used in production and processing. Sources of the wood must be identified and verified of their origins. Note that commercial planted forests certified by FSC standards are growing in number with over 1,200 million rais around the world. (Source: <https://www.tetrapak.com>)

Summary of Performance : The Company selected labels that meet FSC standards for all products under “Vitanature+” brand, which promotes properties from concentrated natural extracts to address health problems of consumers. Labels with FSC standards of 734,873 products made up for 23% of all supplement products that the Company has manufactured in 2021.



50% of target
by 2025



23%
change in 2021



46%
success rate against target

2025 target is 50% of packaging made from eco-friendly materials

“Change...for Better World” Adoption of labelling with knowledge about FSC is one of the Company’s efforts to promote consumer confidence in our brands with commitment to conserving the environment by sourcing raw materials from sustainable forests.



2025 Targets
Water consumption
less than 40,000
cubic meters
Electricity consumption
less than 4,500,000
kilowatts



2021 Consumption
Water consumption
44,227 cubic meters
Electricity consumption
5,217,300 kilowatts



Success Rate
Against Targets
Water consumption
11% lower
Electricity consumption
16% lower

2025 target is 10% reduction in water and electricity consumption from 2020

Due to the COVID-19 pandemic during 2020-2021, the Company adopted work from home policy which led to the inability to meet the targets on resource management.

Water Management

“Water” represents a valuable resource of the world as well as an important factor of production in the economic system. However, climate variability resulted from global warming causes water-related disasters to occur frequently and more severely. Moreover, urbanization, economic expansion and growth of industrial zones lead to water shortages, flooding, and water pollution.

Therefore, the Company places importance on water management within the organization by using water consciously and efficiently; encouraging stakeholders to impart more importance to reusing water in production systems; and fostering a good conscience in treating wastewater before releasing it into the public drainage system. Furthermore, PR campaigns are conducted to make sure that employees in the organization turn off the water after use. Additionally, tools and equipment are upgraded to save water such as the replacement of traditional taps for automatic sensor taps while examination and maintenance are to be carried out to maintain efficiency of water systems to be ready for use.

Electricity Management

“Electricity” is a type of energy regarded as one of the most important economic drivers. Thailand has a limited capacity in producing electricity and is likely to import electricity in higher volume in the future. Hence, the Company strives to manage electricity within the organization by using it wisely. The Company encourages all stakeholders in the supply chain to use electricity more efficiently, including the use of energy-efficient buildings (See details at “RS Group Building and Buildings with Energy Conservation Concept”).

The Company consistently communicates with employees to turn off lights when they are not in use including computer screens. Devices and equipment are to be replaced by electricity-saving types such as light bulbs to be switched for energy-saving ones while examination and maintenance are to be carried out to maintain efficiency of electricity systems to be ready for use.

“RS Group Building and Buildings with Energy Conservation Concept”



RS Group Building is the new headquarter of the Company with a total area of 62,845 square meters. The property is divided into 3 main buildings and 1 parking building. The design reflects the “Congregations Rhythm” style, with the use of a building facade to signify the entertainment and communications business. The new building design introduces rhythmic vertical lines with different frequencies, depending on the building’s functionality. The façade of all 4 buildings are also continuous to form a group, reflecting the unity of the organization while making the structure a distinctive and memorable one. The interior design of this new office follows the concept of “Minimal Design, Simple Space and Timeless” that are clean, sustainable and modern, with a focus on functionality. It is designed to support a variety of work and activities as follows:

Work : Global standard technology and innovations has been used, especially in the production segment with live news broadcasting rooms, recording rooms and modern broadcasting rooms for radio programs. At the same time, the design of the workplace needed to be flexible, with easy access to various working devices and equipment. In addition, there are resting rooms and shower rooms for employees who work at night as well as a café, a canteen and a pantry for employees in all functions. For hygienic purposes, the areas are sectional and can easily be cleaned. There are also lockers available for the security and privacy of users.

Nature: Focus on synthetic materials that are durable and environmentally friendly, reducing the use of materials, such as aluminum walls; finished concrete walls that look neat, and are long lasting and easy to install; epoxy flooring that is easy to clean, beautiful. Furthermore, the use of glass

as the main material gives reflections on things around the building, providing a harmonious sense with its surroundings. Also, it allows natural light to enter at the maximum level under the open space concept, which makes the place look spacious, airy and comfortable while saving electricity during the day as well.

Activity : Open areas are emphasized that can be adjusted according to various activities and users. Moreover, ROSE Hall serves as an event space that can accommodate up to 600 people. It is a modern hall with raised wooden slats and large-sized mirrors throughout the exterior of the space, making it possible to enjoy a wraparound view of the road. In addition, a big LED screen can be used to accommodate a wide variety of activities.

Last but not least, with a wall connecting Building B to the parking building, there is a large LED screen to continuously present public relations media, various news and television program previews to employees or visitors to the office. This all reflects the attention to every detail of the design. It also shows that this building has truly allocated and utilized spaces in multiple dimensions. To enable this energy-saving building to reach its full potential, the Occupational Health and Safety and Work Environment Committee is assigned to manage and attend the building’s environment including developing a maintenance plan and regularly inspecting the systems within the building to be operating efficiently at all times.

In 2021, the Company participated in “Promoting Energy Efficiency Improvement for Buildings Year 6” project with the Metropolitan Electricity Authority to request for MEA Energy Awards which are assessed using MEA Index and IAQ that represent efficient energy utilization and occupational health and safety for building users.

“We Change by Chatuchak (Kayak Rak Khlong)” Project



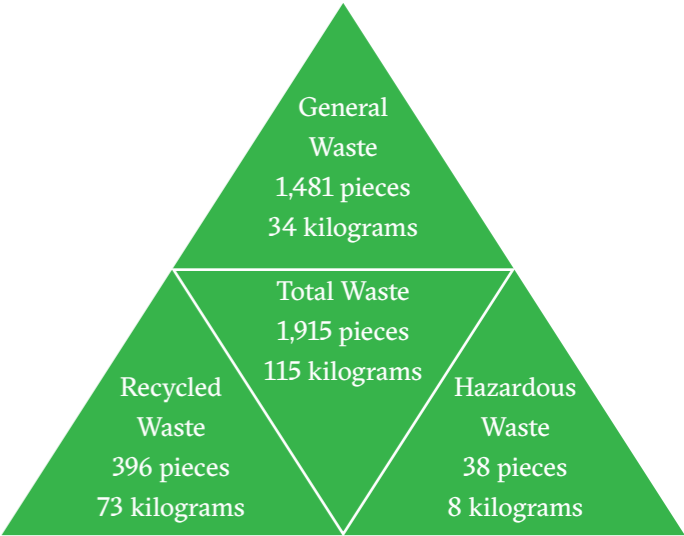
RS encourages the involvement of a network of people, government and private sectors to conserve and restore the landscape of canals in Chatuchak District to support the development of community-based tourism and stimulate local economies. The Company invited famous artists and actors to participate in “We Change by Chatuchak (Kayak Rak Khlong)” project organized by the Chatuchak District Office, with a kayaking activity to collect garbage in the nearby communities in the proximity of the Company’s headquarter. The route started from Lad Phrao Canal, Bang Khen Canal to Prem Prachakorn Canal and volunteers helped make the canals clean, accentuating the uniqueness of Chatuchak District. This also fosters a good conscience in water resource conservation and restoration.

The Company participated in development of community and society as reflected in its activities to give back to the society, which is our commitment to contribute to the welfare and quality of life of people living in the surrounding communities. We cooperate with Chatuchak District to keep the river and local canals clean, as we are situated near them as well. Our participation in this event raises the awareness for clean river and canals. In addition, we are ready to provide a continuous support for the communities by focusing on education and right understanding on different topics such as health and environment”

Summary of Project Performance:

This activity helped collect and separate garbage from the designated venue with a total of 115 kilograms of garbage. In addition, the Company donated THB 50,000 to relevant agencies to support this project.

RS Group is more than willing to carry on this initiative in the future, allowing itself and the communities to coexist in accordance with the company’s core mission: to inspire people and fulfill their happiness. We will cooperate with various administrations to bring the society onto a new level and alleviate poverty for the better quality of life in a sustainable manner. ..WE Live Well- They Live Well..



Climate Management Policy

The Company realizes the direct and indirect impacts from climate change and aims to promote collaboration across the business value chain to comply with the service quality management policy, occupational health and safety, energy management. As a result, the Company put forward the use of technology for the society and the environment, clean energy adoption and commitment to improving production processes and efficient utilization of resources. These factors are key to the tangible reduction of greenhouse gas emissions.

Short-term and long-term strategies as well as business directions were set according to changing situations and the evaluation of sustainability issues and risk of climate change are conducted on a yearly basis to set targets and formulate strategies that are consistent with changing context. The Company also defined key performance indicators to monitor its undertaking related to climate change with a working team on sustainability established to be responsible for reporting the performance to the Corporate Governance and Sustainable Development Committee as well as later to the Board of Directors.

Practices

- 1) Strictly comply with laws, rules and regulations related to climate management.
- 2) Regularly review policies, targets, management plans, risk assessment and identification of material issues related to climate.
- 3) Support the use of technology and operational improvements to be consistent with international environmental standards.
- 4) Foster knowledge and support activities to promote correct and appropriate climate management.
- 5) Monitor progress against targets, find possible solutions and improve operations.
- 6) Disclose information related to the Company's climate management in an accurate and transparent fashion through suitable channels.

Impact Assessment on Climate Change

Managing greenhouse gas emissions has been a hot topic that the world is paying attention to thanks to the Paris Agreement that countries agreed on a collaboration to reduce greenhouse gas emissions with the initial goal to maintain the increase of average earth temperature of below 2 degrees of Celsius while it is already in discussion to bring the goal down further to below or close to 1.5 degrees of Celsius. The new goal will better mitigate adverse

impacts on the ecosystem, health and well-being of the people compared to the 2 degrees of Celsius limit and also present management challenges for all sectors. Therefore, the Company places importance on searching and developing participation guidelines to be able to alleviate and adapt to upcoming changes in the future.

Performance

The Company has not evaluated its carbon emission, but began to formulate short-term strategies in 2021 by setting targets for the reduction of indirect greenhouse gas emissions, reduction of quantity of garbage for landfill, increase of proportion of packing designs that are environmentally friendly and energy saving, through different initiatives on energy conservation and efficiency enhancement of energy consumption. On top of efficient management in production processes, the Company prioritizes the development of "sustainable products" to promote participation of customers and consumers in mitigating social and environmental impacts while supporting biodiversity protection. The Company also formulated long-term strategies by 2030 with a goal to drive the Company towards the circular economy and carbon neutrality in accordance with the United Nations' Sustainability Development Goals (SDGs)

Risk Assessment on Climate Change

Recently, quantity of greenhouse gas emissions is continuously increasing from the business sector which results in higher global temperature, severe climate change, seasonal variability and higher sea level. Moreover, this affects the security of food and material as the quantity and quality of food highly depend on the climate. This also impacts livelihood of people in the society as well as the Company's business conduct.

Impacts of Climate Change and Risk Management Plan

Thai herbs have long been a part of the Thai way of life and the Thai society and are known for their properties, not just locally but also internationally while various medicines use Thai herbs as ingredients. Thai herbs recently become more popular as new generations are increasingly interested in their benefits. Lifestar, a subsidiary of RS Group and a leading global health and beauty innovation company, took this opportunity to introduce a dietary

supplement "Vitanature+". This is an attempt to enhance the potential of traditional herbs using modern innovation and by combining compatible natural extracts. The health benefits of the product will help broaden the customer base to include all target groups.



The dietary supplement, Vitanature+, is made mainly from herbal ingredients through modern technology to produce concentrated extracts that are not only beneficial to health but also easy to consume with less difficulties, on top of the fact that the product is offered at affordable prices. As of now, five recipes have been introduced to the market to address diverse healthcare needs of the target groups.

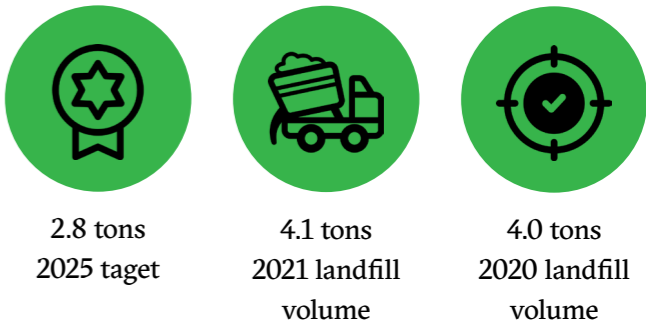
Vitanature+ contains more than 70% of natural herbs grown in different parts of Thailand. As a result, in case of climate change such as flood, drought or forest fire, these natural disasters will directly impact the security of raw materials. Thus, quantity and quality of the products can be significantly impacted as the seasonal cultivation is not possible. This will adversely affect the Company's operating plans.

Nevertheless, the Company selected and commissioned a licensed manufacturer with expertise to be the OEM to produce Vitanature+. Therefore, the Company pays attention to planning together with the manufacturer on raw material sourcing in Thailand and outside Thailand to ensure that the production is in line with the marketing plan. Currently, the Company already planned ahead the next 3 months to secure raw materials to prevent impacts from potential climate change which may result in the scarcity or shortage of raw materials to manufacture the products in the future.

Waste Management in Business Processes



The Company has various methods of handling waste that arises from expired, deteriorated and defective or un-sellable products through a legal landfill, treatment and disposal methods that are based on academic principles and does not affect the environment. Landfill contractors who operate in accordance with regulated standards are selected, with participants and observers, including the Warehousing Department, Accounting Department, auditors and the Area Revenue Department officer, to witness the entire process. This is used as an evidence to write off product costs as expenditures when calculating net profit of that particular year. "Landfill" is one of the key environmental goals that the Company intends to reduce the volume of landfill by 30% from the base year. From 2015-2020, the average volume of landfill is 4 tons per year and the performance for 2021 is as follows



2025 target is to reduce the volume of landfill by 30% from the base year (average volume of landfill of 4 tons per year for 2020 base year)

Furthermore, the Company has developed a modern Warehouse Management System (WMS) to manage the warehouse more efficiently to ensure accurate and proper product delivery as well as prudent inventory management. This helps reduce the number of expired products in the warehouse and thus the volume of waste to be disposed of through the landfill method. At the same time, the Company also has a plan to study packaging designs that are made from eco-friendly materials.

“Channel 8 News Sharing Hearts to Help Affected People from Forest Fire Smog”



Forest fires in Chiang Mai caused the issue of toxic smog and pollution in many areas which widely impacted the quality of life of the people and the economy of the north. The number of patients suffering from repository diseases, heart and vascular diseases, skin diseases and diseases related to eyes is rising every year and posts financial burdens to households from medical costs to expenses on pollution prevention gears. Businesses and restaurants are all affected as customers refrain from leaving their houses. Tourism sector also takes the hit and the number of Thai tourists dropped drastically during the smog season as they were continuously informed of the situation from the media. Foreign tourists also decelerated last year while the decrease in revenue from tourism was estimated at THB 4,000 million though it was mainly due to the COVID-19 situation last year.

The forest fire caused pollution and health problem while a number of areas were in need of equipment and tools to help put out forest fire. Channel 8 lent a helping hand through “Channel 8 News Sharing Hearts” project to express our worries and cares for Thai people under the concept that Channel 8 will stand by the side with the people and to help affected people across the country.

News reporters and supporting team went to the areas to help affected people by offering necessary supplies such as leaf blowers, PM2.5 masks, rakes and other useful items to Chiang Mai province while talking, asking and giving moral support to those affected by the forest fire.

Smog problem is the concern that many parties are active in solving. The government issued more strict short-term measures to control the burning of forests during the past smog season while adding more officers and equipment. For the long-term measures, the government promoted the establishment of community forests under the Community Forest Act B.E.2562 (2019) for communities to have a plan to conserve, restore and utilize forests in a sustainable manner.



Nevertheless, the particular law was just recently effective and not many communities joined yet. More PR campaigns and extended efforts must be undertaken including the empowerment of the local regulatory bodies to play a role in preventing and solving the forest fire issue. People capabilities, equipment and budget allocation need to be enhanced as more obstacles are present that the efforts have not been as successful as expected including low cooperation, early burning and illegal open burning in agriculture areas and forest areas. Firefighting efforts are still limited as many areas are remote and difficult to access. In addition, satellite reporting for active fire spots might not be timely while underground fire can be reignited anytime. The key takeaway on this issue is the lack of incentives for all parties to mutually solve the problem.

Therefore, the Company intends to take part in pushing for the solutions from root causes by encouraging and communicating this smog issue to the general public to fully realize the extent of the impacts of this issue. This multi-dimensional execution incentivizes villagers to participate in the project which is considered crucial for sustainable problem-solving.



3.4) SUSTAINABILITY MANAGEMENT
ON SOCIAL DIMENSION

Performance Highlights

Society

WE SHARE

Enhancing employee potential through efficient knowledge management, while inspiring people in the society through joint value creation and delivery via diverse channels covering all stakeholders.

“Employees”



“Customers”



“Community and Society”



Social and Community Responsibility Policy

The Company is fully aware of the importance of business conduct that is based on strong foundation of social and ready to grow together. Therefore, the Company values social works that are not limited to internal organization or employees but also the society including suppliers, customers, communities as well as the country. This spans across various areas including employee care and fair employee treatment, talent development, employee health and safety, activities for public interest and systematic whistleblowing processes.

Initially, the Company has set targets to enhance employees’ potential using efficient knowledge management while the short-term target aims to push hiring for vacant positions for 50% internal promotions of existing employees and to inspire people in the society through knowledge. The Company takes into account value creation and delivery through multiple channels to serve all groups of stakeholders with the long-term target to create over 10,000 jobs for people in the society.

Practices

- 1) Strictly comply with laws, requirements and rules related to society and community.
- 2) Review policies and management plans and monitor social and community performance regularly.
- 3) Support the adoption of business innovation to elevate quality of life of people in the society.
- 4) Integrate the assessment of social and community impacts as a part of the supply chain management.
- 5) Disclose information related to society and community with transparency through various channels as appropriate.
- 6) Educate and support activities that promote a responsible mindset of employees and people in the society to encourage social and community responsibilities.

Impact Assessment

In 2021, the Company conducted a survey on concerns of the society and communities and considered the possibilities of adverse impacts from its business conduct of current and future projects including impacts on ways of life of communities. The results showed that there was no urgency or severe impacts to the Company at the high level for the short term. Nevertheless, the Company has defined guidelines on social and community activities according to occupational health and safety that are adequate and appropriate and already began setting relevant targets on social dimension.

Performance

The Company monitors and evaluates its compliance with related laws, requirements and regulations on social aspect on a regular basis to ensure that employees and related parties are informed and encouraged to observe correctly. In 2021, the Company had no record of any action that is considered a violation of laws or social rules and thus there was no related fine. Moreover, the Company extended the scope of its social undertaking to suppliers and a self-assessment form for suppliers was developed to evaluate social performance of suppliers as a part of the Company’s vendor selection processes coupled with other related actions.

Sustainable Supply Chain Management Policy

The Company places importance on production processes from upstream to downstream in parallel with the promotion of good practices on conducting business and managing supply chain responsibly covering all dimensions–economy,societyandenvironment.TheCompany focuses on key indicators including quality of products and services, cost management, operating hours, and customer satisfaction while executives and employees are key to share mutual responsibilities with suppliers so that all stakeholders in the supply chain achieve maximum benefits in a sustainable manner.

Practices

- 1) Prioritize and announce sustainable supply chain management concept.
- 2) Assess risks and economic, social and environmental impacts across supply chain
- 3) Set targets, work plans, strategies and policies on sustainable supply chain management.
- 4) Implement work plans and regularly monitor performance including providing corrective guidelines to improve work quality.
- 5) Communicate and disclose information related to supply chain management of the Company to relevant stakeholders accurately and transparently through proper channels.

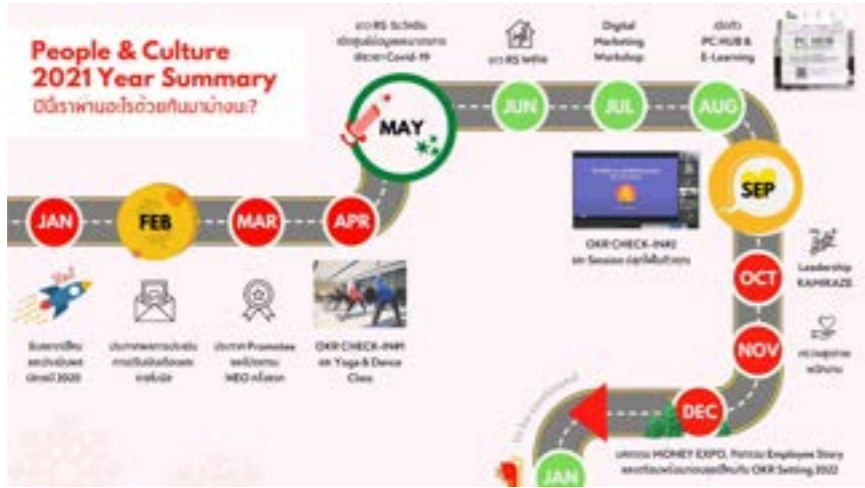
Performance

During 2021, the Company provided training on “Sustainable Business” for employees and evaluating their understanding to create and promote knowledge across its supply chain covering business processes from upstream, midstream and downstream. The Company also raised awareness and promoted understanding on growing business in parallel with social and environmental development.

During the year, the Company also established policies and good practices that promote sustainable supply chain management in various dimensions such as respect for human rights, fair labor treatment, Suppliers Code of Conduct, co-development of innovation with suppliers and business process development to engage community and society.



1) Employees



Policy on Respect for Human Rights and Fair Labor Treatment

The Company realizes that human rights are basic rights and freedom that everyone is entitled to and adhere to treatment for Thai and foreign employees, workers and labor with fairness, equality and ethics in accordance with labor law, rules, regulations and requirements related to labor. The Company places importance on respect of human dignity, freedom and equity without discrimination against differences in physical constitution, race, nationality, religion, gender, language, age, education and social status including women, the disabled and the disadvantaged. Oppression, child labor under legal age, forced labor and all forms of human trafficking are not tolerated at the Company covering every employee of the Company and all stakeholders in the business value chain.

The policy had been approved by the Corporate Governance and Sustainable Development Committee and proposed to the Board of Directors for consideration and acknowledgement.

Practices

- 1) Strictly abide by laws, requirements and regulations related to human rights and labor treatment.
- 2) Review policies and management plans and regularly monitor performance on human rights and labor treatment.
- 3) Provide all employees with proper self-development opportunities to elevate their quality of life.
- 4) Integrate the evaluation on human rights and labor treatment to be a part of business value chain.
- 5) Disclose information related to human rights and labor treatment of the Company accurately and transparently.
- 6) Provide knowledge and support activities that build socially responsible mindset of employees and people in the society.

7) Provide whistleblowing channels on violation of human rights and labor treatment to find prevention and mitigation measures.

Impact Assessment

During 2021, the Company conducted an assessment on risks related to human rights and fair labor treatment including an impact assessment on health, safety and work environment to find that there was no significant risk related to human rights in the supply chain that may cause material adverse impact to the Company in the near term. Nevertheless, the Company closely monitors and continuously assesses the risks as well as ensuring the compliance with applicable labor laws, rules and regulations.

Performance

The Company tracks and evaluates compliance with laws, regulations and requirements related to human rights and fair labor treatment on a regular basis and approved the establishment of “Workplace Welfare Committee” under the Labor Protection Act B.E.2541 (1998) for all business units as a channel for supervision, consultation, complaint and discussion for the employees and the Company on welfare, benefits or changes in rules and regulations that impact employees. In 2021, there was no case of violation of human rights or labor rights nor child labor of children under 18 years of age and thus no related fine. Moreover, the Company has extended the scope to suppliers that apply criteria on human rights and labor treatment as a part of its vendor selection of the Company.

Whistleblowing Mechanism and Mitigation Measures

The Company put in place whistleblowing mechanism and mitigation measures for violation of human rights and unfair labor treatment to ensure that the Company’s human rights management is effective in controlling impacts across supply chain. Channels are provided for affected people who are discontented or are not treated fairly to file complaints through investigation and consideration process, complaint resolution process, and remediation process that are fair for all parties.

Talent Development and Career Advancement Policy



The Company’s core concept and attitude on work can be summarized into a vision of “Bringing people together to drive the organization under core values and a culture of teamwork” by cultivating a culture that promotes teamwork and collaboration through 4 core values namely, Inspiring, Passionate, Inquisitive and Goal-Oriented so that all employees are prepared and committed to developing themselves in line with the Company’s business strategies.

In addition, the Company focuses on training and practices to develop knowledge and abilities of employees on a regular basis to build a strong culture that is valuable for employees leading to teamwork to attain the ideology and goals.

Practices

- 1) Analyze and determine training requirements from each position to enhance employees' potential and promote their career advancement.
- 2) Create and provide stable career advancement opportunities.
- 3) Define clear and fair performance management systems and succession plans.
- 4) Prioritize workplace environment and safety.
- 5) Ensure that employee welfare and benefits are according to the law, human rights principles and fair labor treatment.



Performance

The Company stresses on the development of employee potential through diverse skill and knowledge enhancement covering internal and external curricula to upgrade employees' capabilities to have necessary skills to perform their duties in alignment with business strategies as well as having better career opportunities.



In 2021, the Company emphasized online training through PC Hub to ensure that all employees have a more convenient access to information, news, announcements, important policies and training programs.

Key Statistics on Human Resources Management Against Targets in 2021

Total training hours of employees: 21,242 hours/year	Target: 20,000 hours/year	Success Rate: 107%
Average internal training hours per employee: 16 hours/employee/year	Target: 15 hours/employee/year	Success Rate: 107%
Average external training hours per employee: 14 hours/employee/year	Target: 12 hours/employee/year	Success Rate: 117%
Average satisfaction score on training: 87%	Target: 90%	Success Rate: 97%
Proportion of employees attending new employee orientation program: 93%	Target: 100%	Success Rate: 93%
Proportion of employees with OKR goal-setting: 100%	Target: 100%	Success Rate: 100%

Moreover, the Company focuses on transferring knowledge internally from generations to generations to mutually create and strengthen a knowledge warehouse of the Company including learning culture with the purpose to ensure that employees are sufficiently prepared, both for quantity and quality, under the context of challenging business environment and intensified competition so that employees will grow alongside the Company in a sustainable manner.

“Reignite Your Passion through RS Core Values” Project



Objectives :	Reigniting passion for work and stressing on core values to promote relationships and reduce gaps between employees under work from home policy from the COVID-19 outbreak.
Timeline :	Employee training on 22 July 2021 and evaluation on 31 December 2021
Target Groups :	Junior managers and employees who are under work from home (WFH) in the format of remote working online of 56 persons.
Targets :	To reduce attrition rate during work from home period to be less than 2% of total employees participating in the project.
Performance Employee :	Satisfaction score at 100% while employees felt motivated and less lonely with higher awareness of teamwork and better technology skills to conduct meetings.
Company :	Employee retention at 100% of total participating employees with zero attrition while core values were communicated and emphasized despite the social distancing situation.

Leadership KAMIKAZE” Project



Objectives :	Developing leadership for employees focusing on knowledge related to roles of leaders, effective communication, prioritization and distribution of work and effective decision-making guidelines.
Timeline :	Employee training on 6 and 14 October 2021 and evaluation on 31 December 2021
Target Groups :	Employees at operational levels of 668 persons in the format of virtual online workshop.
Targets :	To enhance leadership potential After the completion of the project, more than 95% of attendees were evaluated by their managers that their leadership was enhanced.
Performance	
Employee :	77% of employees improved their work skills with better working behavior including prioritization of work, work ownership, teamwork & collaboration, learning and problem-solving, communication skill development and positive work attitude.
Company :	97% of employees attending the project improved their leadership as evaluated by managers.

“4 Different Definitions of ‘Inspiring’ from RS Colleagues” Project

Core Values are the main conceptual framework that represents organization's uniqueness as well as the norms to define foundation or underlying behavior of all employees of RS Group.

For the core value “Inspiring”, this helps motivate everyone at RS both in thinking and actions to achieve goals. Below are the definitions of “Inspiring” from 4 representing RS colleagues from various functions



Khun Surachai Chetchotisak, CEO, once said “Core values are not to memorize, but to practice until they become habits so that everyone has aligned attitudes, concepts, and ways of work which result in teamwork to achieve shared goals together”

Lessons from CEO” Project

The Company encourages all employees to integrate risk management as a part of their work which is in line with its core value of “Inquisitive” while the CEO has shared stories and knowledge around work, business adaptation and organization management. These concepts can also be passed on to people in the society to be their inspirations and applied to their daily lives.



1) Dare to disrupt yourself before other things interrupt you:

“We have always been in the most disrupted business even before the word “disruption” was widely adopted as the music industry evolves according to fast-changing technology and consumer behavior” Khun Surachai was among the first who decided to sell his CD manufacturing plants because he foresaw that there was no future and the value would be reduced to nothing or scrap if the plants were not sold fast enough which it turned out to be true. Another key takeaway from music business is music revenue model changed from revenue from listening to no. of view. It is the age of number of views which is very interesting as we used to produce music for the people to listen to and they had to pay for that. However, nowadays it is not anymore about revenue from listening to music but only the viewing or number of views. As you can see, there is no more popular songs that last like in the past as the purpose of work and music business already changed completely.

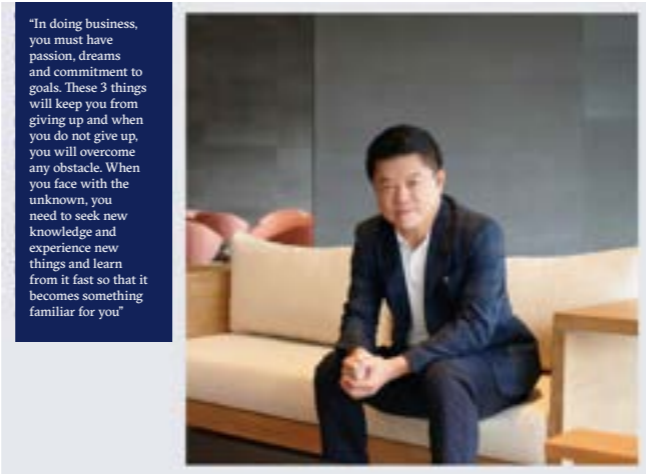
2) First step to success is to pick the right pond before catching the fish:

The foremost important step is to be in the place where there are plenty of fish while your ability to catch ones is secondary. Therefore, for any business we must start with searching for opportunities by analyzing trends and markets to see where they are heading towards. The reason RS jumped to commerce business or health products is that it is a global trend not limited to Thailand and Thailand is

becoming an aging society. That is the reason RS entered health supplement business 5 years ago including asset management business with personal lending that we also concluded a partnership recently as we saw that these 2 businesses are in line with current trends and hard to be disrupted. Digital disruption is not a threat but an enabler to this business as digitalization helps make debt monitoring and collection, communication, payment and installment payment easier.

3) Older generations will learn from younger generations:

Digital age brings along both difficulties and opportunities while it is hard for older generations to fully and deeply understand behavior of new generations in term of business aspect. Moreover, speed in receiving news, information and new ideas or innovations of earlier generations is incomparable to younger generations as they have more information. This is considered a major weakness of older people that they must adjust to be more open and learn how to benefit from new generations to combine with the strengths of being older which are on the analytical ability, experience and decision making. It is crucial to be aware of weaknesses and how to fix them as well as spotting opportunities in the market.



4) Alarmed by the COVID-19 crisis but not to be frightened:

During the first wave of the COVID-19 outbreak, it was new for everyone and what RS did first was to control expenses then promote confidence of employees by conveying messages to assure them of how RS will manage the situation especially that RS will not cut salary or terminate employment. With the worsened situation under lockdown measures during the year, we continued to emphasize employee health as the outbreak became

more severe. What RS managed was to communicate with employees on healthcare and vaccination including general hygiene at workplace. Additionally, we managed to adjust our ways of work to be suitable for the situation with ease thanks to our investments in IT for the past years to support commerce business.

5) Adaptation is key to business success

In doing business, you must have passion, dreams and commitment to goals. These 3 things will keep you from giving up and when you do not give up, you will overcome any obstacle. When you face with the unknown, you need to seek new knowledge and experience new things and learn from it fast so that it becomes something familiar for you. This is the heart of doing business and it becomes more important for running a business in this era. Businesses nowadays depend on adaptability of how good and fast you can adjust or adapt to survive and remain strong and stable. The phrase “Only the Strongest will Survive” does not apply and must change “the Strongest” to “the Most Adaptable” as changes are material and rapid while courage and positive attitude towards learning will help you embrace and tackle uncertainties.

6) Next Steps of RS

“It is not easy to have a vision in the far future though we can always say where RS is heading in the next 10 years but no one can really foresee the future. As a result, we focus on how to make RS a sustainable organization while adopting the “Entertainmerce Model” as our core business, taking into account ESG (Environmental, Social and Governance) aspects of business conduct that the Stock Exchange of Thailand promotes. Sustainability will make us survive but how long and how much we will grow or there will be the 2nd generation to help are the matter of opportunity and business in the future that we cannot plan too far ahead. What we can do now is to prepare RS to be ready and complete in all dimensions including business structure, organization structure, human capital and all stakeholders to respond to its aspiration to become a strong organization both in terms of business and co-existence with the society to give back to the society in parallel with long-term business conduct. I personally values laying a solid foundation on stability and sustainability for the organization which will result in long-term benefits for all related parties”

An excerpt from the interview with Khun Surachai Chetchotisak (Chief Executive Officer of RS Public Company Limited) from Optimise Magazine, Kiatnakin Bank on 25 September 2020.



Performance Evaluation of Top Executive, Senior Executives and Employees

In 2021, the Company conducted performance evaluation for executives and employees using the OKR (Objective and Key Results) tool to ensure that evaluation results are clear and fair, suitable for supporting compensation considerations and analyzing and determining effective talent development plans and curricula to improve and enhance employees' capabilities to be consistent with the organization's strategies.

1) Performance Evaluation of CEO

Criteria: the annual performance evaluation of CEO applied 2 evaluation forms per following

- From the performance evaluation form of CEO based on the guidelines of the Stock Exchange of Thailand which is conducted once a year with the content covering qualifications, knowledge, abilities, strategy formulation, supervision and monitoring, roles and responsibilities, and self-development.
- From the OKR tool with the consideration of different areas including sustainability performance for economy, environment, society and governance to be conducted twice a year.

Evaluation results Excellent

Evaluation results Very good

Evaluation Process: performance indicators were clearly defined by CEO together with the Nomination and Remuneration Committee since the beginning of the year. Then, only the independent directors in the Nomination and Remuneration Committee evaluated the performance and reported to the Board of Directors on the evaluation criteria and comparison of the actual performance against targets both for financial and non-financial indicators to help determine short-term and long-term compensation of CEO.

2) Performance Evaluation of Senior Executives and Employees

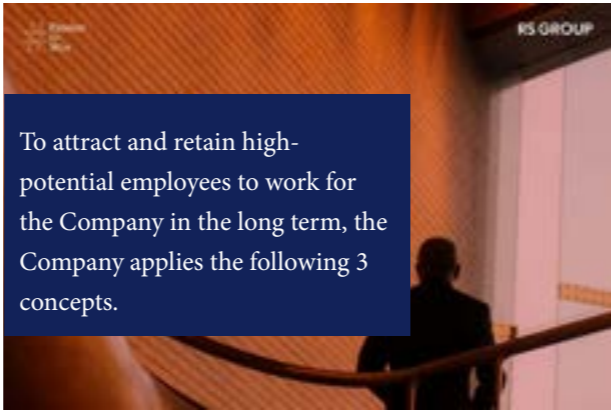
Criteria: OKR tool is also adopted as criteria for the annual performance evaluation of senior executives and employees while goals were set according to SMART principles which are Specific, Measurable, Achievable, Relevant and Timely. The goal setting and evaluation were conducted twice a year using 2 types of evaluation together which are the performance evaluation with ratings 1 – 5 and the core value evaluation with ratings A – C.

Evaluation Process: senior executives and employees discussed with their managers on situations, progress, issues, agreements, recommendations and successes during

the past half year and later set targets as discussed with the managers and recorded in the system. Actual performance was recorded in complete in the system within specified time and PC Department compared and ranked employees of the same group. The results were used to consider compensation and analyze to determine talent development structures and plans.

Note that the evaluation results of the highest-ranked executive, senior executives and employees will be collected, summarized and reported to the Board of Directors' meeting to consider and provide performance improvement guidelines for the future. The Company will evaluate success and review performance on a regular basis so that all employees are able to adjust their action plans properly and managers can solve problems in a timely manner to achieve targets and drive the Company towards short-term and long-term successes.

Employee Care and Retention



1) Invest in livelihood, welfare and well-being of employees. Results from a survey show that the top factors affecting long-term retention of employees are work-life balance, flexibility and a culture that encourages employees to be themselves including benefits such as learning and development programs and opportunities to volunteer for social work. The COVID-19 pandemic helped make this concept clearer especially on the work flexibility to find a balance in life without too much time dedicated to work as well as participation in helping others affected by the outbreak which help employees feel their own values.

2) Place importance on core values and employees as a survey shows that 71% of employees give priority to mission and values of the organization and 39% of employees would resign in case of misalignment of the organization's actions and their values. Therefore, well-defined core values that are communicated to employees since the selection will

help the organization to find suitable people and the core values should be applied at work to attract and retain those employees.

3) Promote participation as a part of the organization. If employees feel that they can be themselves at work and belong in the right place with safety and no concern of being discriminated, they are likely to perform better and stay longer with the organization.

From the above 3 concepts, the Company focuses on work flexibility and supported the government on work from home (WFH) policy during the COVID-19 outbreak to reduce risks of being exposed to the virus and cut commute time to work so that employees can better manage their time. Moreover, various technologies are adopted to enhance work efficiency while employees are encouraged to be involved in donation and field work as volunteers to create values for their work and promote social responsibility.

In addition, RS has clearly defined core values for all employees to adhere to as practical guidelines to perform their duties in the same direction with shared organization purposes. Continuous communication and evaluation are also conducted to ensure concrete results. The Company provides opportunities and opens for everyone to work with the Company regardless of their genders, ages or races without discrimination or prioritization no matter which level they are. Furthermore, welfare and benefits offered to take care of employees meet standards to ensure that working with RS helps build their confidence and deliver happiness in accordance with employee assistance guidelines to retain quality employees with the organization in the long run.

Promoting Employee Satisfaction and Engagement

The Company supports participation of all employees through different activities organized by the Company while 100% of employees apply core values to their work in a concrete manner. Additionally, the Company provides opportunities for employees to share opinions and suggestions related to work to develop work processes to be more efficient.

Practices

1) Motivation Feedback: Compliments help inspire employees to develop and improve themselves which employees can view as prizes that drive and direct employees to develop themselves.

2) Time is a Gift: Time is priceless and respect for personal time is essential so that employees have sufficient

quality time to rest and energize.

3) New Opportunities: Opportunities to try new things will allow employees to realize that the organization opens for ideas and encourages employees to do challenging work to develop themselves.

4) Backup & Support: Teamwork is promoted as a key support to build relationships and assist each other which makes employees feel that they are moving forward together as one.

5) Personalized Gifts: Special gifts are offered to employees including various activities and rest areas so that employees can informally be together to further build good rapport among themselves.

Performance

In 2021, as the COVID-19 situation persisted, the Company applied the results from the organization-wide annual employee satisfaction survey for 2020 to initiate and implement different projects with the target of 80% to be achieved while the actual average score is 80% as targeted. The results were communicated with supervisors/managers and employees across the organization.

Besides, when the results were analyzed further, organization structure was spotted on to play an important role to be consistent with the Company's situation. As a result, the Company pushed "Organization Enhancement in the New Era" initiative to promote understanding and enhance employee engagement which was initially completed in 2020. During 2021, the Company planned to improve the area that received lower satisfaction score which is "Better provisions of welfare and facilities" by adding a fitness room and a convenient store as well as improving parking lots, food court and work equipment.

Attrition Rate of Permanent Employees

Year	Number of Employees (Person)	Resignation (Person)	%
2021	1,008	216	21.43
2020	1,036	125	12.07
2019	1,073	218	20.32

Attrition rate is still high due to the change in the business model of the Company and the adaptation under current situations. However, most of the resignations were from employees at operational levels which did not significantly impact management structure and core businesses.

Benefits & Perks
for RS Employees



The Company views that quality of life of all employees is a top priority and employees should be compensated fully by offering 4 major benefits and perks per details below.

1) PROVIDENT FUND

The Company values saving as financial security for employees and thus established a provident fund for employees to save money by contributing monthly to the fund on a voluntary basis while the Company also offers the employer's contributions. Not only that the provident fund helps with saving but also provides tax deductions for employees. In case that employees resign, they will receive saving from the provident fund according to rules stipulated by the provident fund.

2) HEALTH INSURANCE AND LIFE INSURANCE

Even though the Company's employees are insured persons under Section 33 who receive welfare from the social security as stated by law, the welfare might not be adequate for modern living. Therefore, the Company offers health insurance to employees based on their job levels covering health benefits in case of OPD, IPD, death as well and the COVID-19 vaccines.

3) FINANCIAL SUPPORT

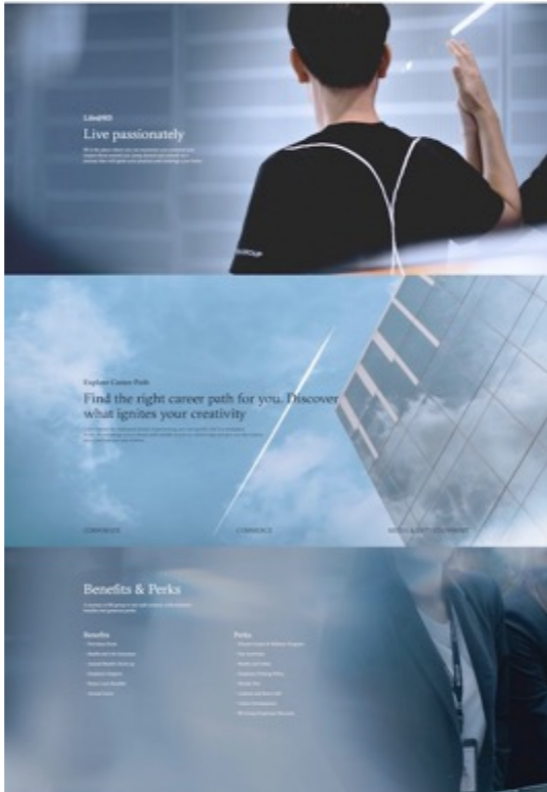
- The Company takes care of employees as members in the same family and provides the following financial aid
- Financial support in the form of gift baskets or hampers when employees are hospitalized.
 - Financial aid for the funeral in case of death of a legal father, mother, spouse, or child of an employee.
 - Financial support for employees' weddings.

4) HOUSING LOANS FROM BANKS

- As lodging or housing is considered one of the four necessities in life, the Company and the Government Housing Bank jointly agreed to offer housing loans for employees who want to own houses to apply for loans from the Government Housing Bank with special interest rates and credit lines.

“Life@RS”

The Company developed its website www.rs.co.th to extend communication channels to share information on organization culture, benefits and perks for employees, inspiring articles from work experience of RS colleagues as well as job vacancies opened for the public and people interested in working with RS. New website allows easy and convenient updates of information and people can visit the website and see additional information at any time.



Occupational Health and Safety Policy at Workplace

Key Statistics on Occupational Health and Safety at Workplace Against Targets in 2021

% new employees who received health checkups before starting work: 100%	Target: 100%	Success Rate: 100%
% employees who received annual health checkups: 100%	Target: 100%	Success Rate: 100%
Number of workplace fatal injury of employees: 0 case	Target: 0 case	Success Rate: 100%
Number of workplace injury that caused disability of employees: 0 case	Target: 0 case	Success Rate: 100%
Number of workplace injury that caused loss of organs of employees: 0%	Target: 0 case	Success Rate: 100%
% Loss Time Injury Frequency Rate (LTIFR): 0%	Target: 0 %	Success Rate: 100%

Occupational Safety, Health and Workplace Environment

The Company regards occupational health and safety of employees as the foundation of employees' readiness to work towards success. Therefore, the Company has elevated occupational safety, health and workplace environment including personal safety and safety in business operations while risk assessment must be conducted with all activities by capable persons with prudence. The Company should also implement control and prevention measures as well as closely monitoring the health and safety at workplace to prevent loss or any adverse impact on employees and stakeholders.

Practices

- 1) Prioritize occupational safety, health and workplace environment as responsibilities of employees at all levels to collaborate and comply with to ensure safety of oneself and others.
- 2) Encourage all employees to have a good understanding and a responsible mindset to ensure occupational safety and health and suitable work environment.
- 3) Support and promote work environment improvements and safety operating protocols including the use of protective personal gears and equipment to maintain good hygiene of all employees.
- 4) Support activities that promote occupational safety, health and workplace environment to deliver the most optimal and concrete results for all parties.
- 6) Require all supervisors to be responsible for occupational safety, health and work environment of their subordinates to be in strict accordance with laws and regulations.
- 6) Monitor and assess performance according to the occupational safety, health and workplace environment policy to ensure strict compliance and highest efficiency pursuant to safety rules and standards at workplace.

Impact Assessment

The Company conducted risk and impact assessment on health and safety at workplace for employees' work processes and extended the scope to employees of suppliers with monitoring and examination of employee treatment of suppliers related to manufacturing, storage, transportation and maintenance while a self-assessment form for suppliers was prepared to be used as criteria for vendor selection process of the Company additional to other criteria.

Performance

The Company established the Occupational Safety, Health and Workplace Environment Committee according to the Ministerial Regulations on the Standards for Administration and Management of Occupational Safety, Health and Workplace Environment B.E. 2549 (2006) with a monthly meeting. Executives were appointed to represent the employer and representatives from employees were also selected to jointly deliberate workplace safety policies and plans to prevent and reduce accidents for employees and external parties working with the Company while the Company also supports activities and training related to safety.

However, as 2021 was affected by the COVID-19 outbreak, the Company had to postpone its occupational safety, health and workplace environment activities as well as the annual fire drill and fire evacuation drill to be organized during the first quarter of 2022 instead under a more secured situation.

Occupational Safety, Health and Workplace Environment

The Company attaches great significance to workplace safety and the Asset management Department at the office building organized a training curriculum to promote understanding and encourage attendees to cooperate with safety officers as well as discussing to set workplace safety guidelines in accordance with the Ministerial Regulations on the Standards for Administration and Management of Occupational Safety, Health and Workplace Environment B.E. 2549 (2006). The training invited a speaker from the Safety and Health at Work Promotion Association under Patronage of Princess Maha Chakri Sirindhorn, Princess Debaratanarajasuda, The Princess Royal which is a training agency registered with the Department of Labor Protection and Welfare. The format of the training includes a pre-test before the training, knowledge sharing and group activities on workplace safety and a post-training assessment.

Curriculum / Training Hour	Target Group	Number of Attendees	Training Date
Safety Officer for Supervisors / 12 hours	Supervisor Level	36	19-20/10/2563
Safety Officer for Management / 12 hours	Management Level	12	3-4/11/2563
OIC Act for Employees / 6 hours	All Employees	160	16-19/11/2563
Basic Firefighting and Fire Evacuation Drill/ Annually	All Employees	60	18/12/2563

“Firefighting Drill and Fire Evacuation Drill”

2020 was when the Company first relocated its head office to the new place. Therefore, safety is a top priority and safety measures were implemented shortly as it has immediate impacts on the lives and properties of employees and the Company. The Building Management and Engineering Department, together with the Asset Management Department of the office building provided the “Basic Firefighting and Fire Evacuation Drill Training for 2020” on December 18, 2020. The purpose of the training course was to provide attendees with knowledge and understanding of workplace safety, as well as training on occupational safety, health and workplace environment in accordance with the Ministerial Regulation on the Standards for Management and Operation for Occupational Safety, Health and Workplace Environment Regarding Fire Safety Policy and Procedure B.E.2555 (2012), dated December 7, 2012. Clause 30 of the regulation requires the employer to organize firefighting drills and fire evacuation drills at least once a year. All employees who work in the same building, on the same days and same hours, must participate in the training altogether. The training was organized and conducted by speakers from the Bang Khen Fire and Rescue Station, covering both basic firefighting training and fire evacuation drills.

Business Continuity Plan in Case of the COVID-19 Outbreak Prevention at Workplace



The Company encourages all employees to strictly comply with the Company's prevention measures according to the Business Continuity Plan to ensure that the Company will operate uninterruptedly even under the crisis to prevent the spread of the COVID-19 at the workplace with the following details.

- 1) The Company set up checkpoints to screen people before entering the office building by checking body temperatures. Employees and visitors with body temperatures of over 37.5 degrees of Celsius are not allowed in the office.
- 2) Employees must practice social distancing for 1-2 meters between each other without physical gatherings as well as avoiding congested places or sitting together during lunch breaks.
- 3) Employees must wear facial masks at all times when entering a building or the office including elevators especially when interacting with other people.

- 4) Employees must wash hands with soaps or alcohol gels as soon as they arrive at the office.
- 5) In case of having fever, employees must inform their supervisors and visit doctors for immediate diagnosis and treatment, and they are not allowed in the office.
- 6) Employees must refrain from traveling across provinces or to areas with high risks of contagion.
- 7) In case of quarantine as suggested by doctors or a confirmation of the COVID-19 infection, employees must stop working immediately, inform supervisors and People and Culture Department and strictly follow doctor's advice.
- 8) Supervisors shall arrange new formats of work such as work from home, rotational shifts and overnight office stay while BU heads have a full authority to approve and manage teams during the period to prevent any impact to business. People and Culture Department must be informed of the details to acknowledge and record in the system.
- 9) Visitors are prohibited, and any meeting should be conducted through conference calls only for the Company's employees, suppliers and partners including interview appointments. Walk-in job application is also not allowed.

Cybersecurity and Personal Data Security

Key Statistics on Cybersecurity and Personal Data Security Against Targets in 2021

% employees who completed cybersecurity training: 56%	Target: 100%	Success Rate: 56%
Number of personal data leakage incident: 0 case	Target: 0 case	Success Rate: 100%
Number of customer complaint on violation of personal data privacy: 0 case	Target: 0 case	Success Rate: 100%
Number of employee complaint on violation of personal data privacy: 0 case	Target: 0 case	Success Rate: 100%

Organization Structure Management for Information and Information System Security

IT systems are crucial for the Company to operate its business as customer and supplier data are stored and managed by the systems covering TV and radio broadcasting, telesales, online product sales and preparation of financial statements of the Company. Therefore, IT security and personal data privacy protection are required according to applicable laws.

Cybersecurity and Personal Data Security



The Company as a personal data controller realizes the importance of personal data protection which is one of key basic privacy rights that is to be protected under the Constitution of the Kingdom of Thailand B.E.2560 (2017). The Company ensures that its operations are in compliance with international standards on personal data protection and the Personal Data Protection Act B.E.2562 (2019) or PDPA including corporate governance principles.

For its commerce business, the Company collects and uses consumer data to undertake its business to strictly conform to relevant rules and regulations. The Company prepared the privacy notice to inform data owners of details on the processing of RS Mall's customer data covering 1) website (www.rsmall.com) 2) call center (02-023-5555) and other numbers and 3) social media such as webchat, Facebook and Line while RS Mall will record, store, disclose, transfer and safekeep personal data of users for particular purposes. Additional information can be found at <https://www.rsmall.com/page/privacy-policy>

Policy on Use of Information Systems

The Company places importance on information and IT system security as well as personal data protection for users on different media and platforms. Nowadays, IT systems are considered key tools to accommodate work that enable speedy information access, effective communication and cost saving in various operational activities of units connected in the internet system including electronic emails and website as a channel for PR of news and other information.

To ensure that the use of information systems is appropriate, efficient, secure and continuous as well as preventing any potential issues from misuse of the information systems or any cyber threat, the Company has established a policy on use of information systems with the objective to raise awareness of users on practices, cautions and responsibilities in particular duties to make sure that the level of IT security meets international standards consistent with applicable laws and requirements based on ISO/IEC 27001: 2013, an internationally recognized standard for corporate information security.

Performance

The Company announced its policy on use of information system and policy on personal data protection including practices in using online media for business purposes on 27 September 2021 which was approved by the CEO of the Company.

During 2020, the Company initiated a project “Process and System Improvements as Stipulated by the Personal Data Protection Act B.E.2562 (2019)”. Initially, the Company focused on knowledge sharing to employees who were appointed as coordinators for personal data protection including observers from each department. This was conducted through a training program with a target group of 42 people, categorized by type of work performed. Until recently, 5 groups of 42 such employees participated in the training, accounting for 100% success rate.

In 2021, the Company began to organize cybersecurity and prevention of cyber attacks training for executives and employees to ensure that everyone has sufficient knowledge and understanding to be able to apply to their everyday lives as well as being able to transfer knowledge and raise awareness on cybersecurity to their families and people around them. Attendees to the training passed the knowledge assessment with the average score of 77% compared with 75% target. The responsible unit has a plan to extend the training continuously to other employees to ensure that all employees of the Company are prepared to be a part of “Building a Society with True Cybersecurity”

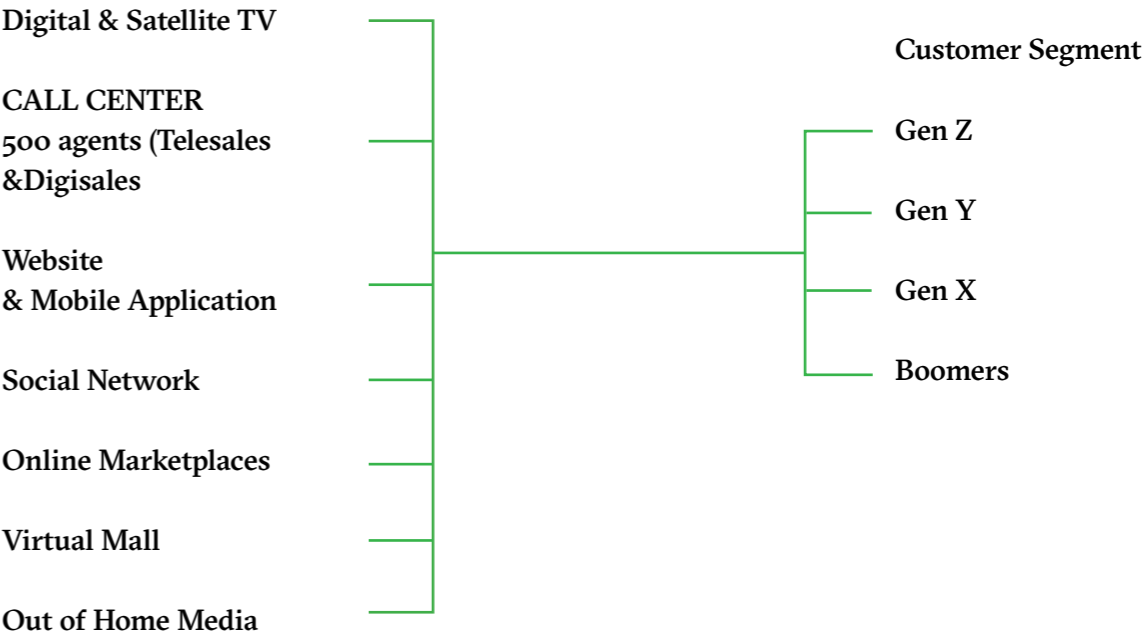


2) CUSTOMERS

Service Quality Management Policy

The Company not only sets goals on business growth and profitability but also strives to develop and deliver service experience pre-sales and post-sales with excellence comparable with international standards by setting customer relationship management protocols through an organization-wide management system. This is to enhance skills of customer service representatives with right knowledge, service mind and customer safety at heart to become “Well-being Partner” of customers.

This service quality management policy was approved by the meeting of the Corporate Governance and Sustainable Development Committee and proposed to the Board of Directors for consideration and acknowledgement.



Practices

During 2020-2022, the Company has issued guidelines on service quality management for telesales representatives according to the standard measurement for RS Mall Contact Center with service quality examination in 2 levels.



Program Level is the quality examination of service quality for each service center to identify areas for improvements by analyzing mistakes that affect efficiency of the Call Center the most as well as finding backgrounds and causes of those mistakes before determining solutions to fix the mistakes and taking further actions.



CSS Level is the quality examination of service quality of individual employees at the Call Center to identify areas for rooms for improvements as well as providing coaching to ensure that employees comply with the same standards and practices to enhance their service efficiency.

Customer Relationship Management

The Company pays attention to customer relationship management with the belief that good customer relationship will help boost revenue and cut expenses especially expenses in acquiring new customers and enhancing customer satisfaction. Therefore, the Company conducts a customer satisfaction survey on its products and services regularly to study customer needs through

Key Statistics from Customer Satisfaction Survey on Products and Services Against Targets in 2021

Average rate of product claims: 0.6%	Target: < 1%
Average satisfaction score for services via phone: 99%	Target: > 95%

complaints by phone inquiries. The received information will be analyzed to be used to develop and improve service quality to promote continuous business process improvements in the future. Key performance results can be summarized below.

The results from the survey of telesales representatives were used to develop various operational efforts to respond to “Voice of Customers” which is considered the heart of doing business as reflected by their satisfaction of products and services. Customer feedback is treated as input to be analyzed for service quality management and development as the customer feedback helps the Company better understand problems, needs and expectations of customers so that the Company can apply them to help develop products, services and work processes.

Capability Development for Telesales Representatives Through “RS Mall Learning Center”

Background of the Activity

RS Mall is a multi-platform commerce for both offline and online focusing on products that promote health and quality of life with the commitment to become “Wellbeing Partner” of everyone. This is driven through over 500 telesales representatives as the main sales channel for the Company's products. To elevate their basic knowledge on health for sales representatives and customer relationship representatives, RS Mall Learning Center was founded as a channel and a tool for employees to provide recommendations in purchasing products for customers to properly serve customers to achieve higher customer satisfaction and sustainable sales growth.

Objectives / Qualitative Targets

- 1) Team leaders can provide product information for telesales representatives in an accurate and timely manner.
- 2) Strategy Team is able to analyze received information to identify product demand and suitable sales promotions to properly address behavior of different customer groups.
- 3) Product R&D Team is able to apply received information to improve work processes to develop product innovations with outstanding features.
- 4) People and Culture Team is able to adopt an e-learning system to communicate content and enhance sales and service skills necessary for existing and new telesales representatives.

Criteria / Quantitative Targets

The Company organized product training and a knowledge assessment with the criteria for telesales representatives to score more than 85% to be rated as “Good” on their product knowledge.

Summary of Report/ Comparison with Quantitative Targets

In 2021, all telesales representatives took the knowledge assessment and the results show that the average score was 96%, above the required standard threshold.

Process Development with “Voice Analytics - as Your Voice Matters”



and machine learning to examine and analyze conversations with precision. As a result, the tool has gained more and more popularity for businesses in general.

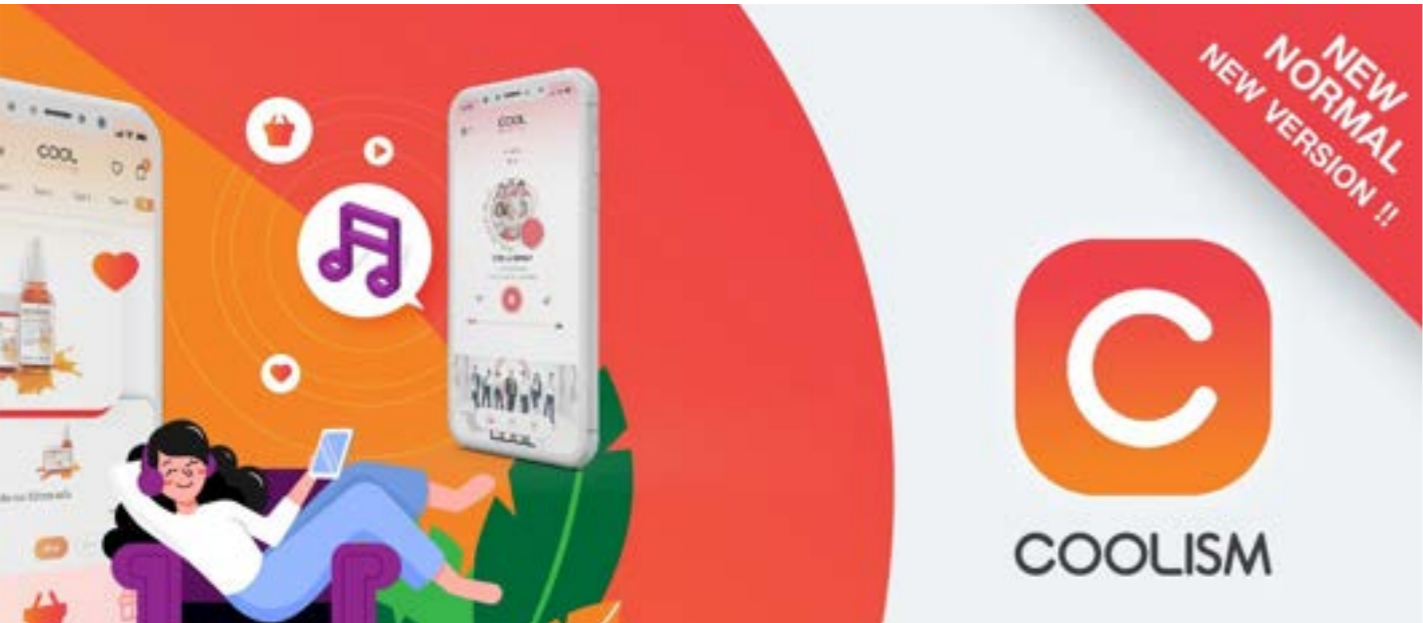
Despite the fast growth of online service channels during the COVID-19 pandemic in the past 2 years, telephone channel is still considered the major channel to provide general services as contacts from all platforms are likely to be rerouted to phone at the end. Customers are mindful of what they experience during the contact with customer service representatives as much as propositions of products and services of each brand. Voice analytics can gather in-depth information to enhance efficiency in servicing customers by detecting emotions and wording of customers as they converse over the phone. The information will be further analyzed to be able to reach each customer better and contact them via right channels with personalized data at proper timing. Moreover, this can be applied to business development plans and development of new products and services to be outstanding and right for individual customers.

Recently, RS Mall adopted a technology in creating customer data platform that brings customer data in various dimensions to process starting from the Predictive Dialing System (PDS) to double efficiency in customer calls covering all RS Mall's customers of approximately 1.6 million people.

During 2021, the Company was in the process of

developing and implementing the “Voice Analytics” system to be able to analyze tones of customer voices that express emotions, feelings and conversation effectiveness to obtain in-depth information to identify unmet demand. This will assist the Company in improving quality of products and services as well as enhancing efficiency of telesales representatives of over 500 people to be able to close sales faster and promote repeat purchase rate to target of 2.4 times from the previous target of 2 times to stimulate sales growth in the future.

Service Channel Development for Convenience “Coolanything – Enjoy Music and Shopping in One App”



Online shopping has been growing significantly thanks to the COVID-19 pandemic and changing consumer behavior with better and easier access to communication technology and online platforms. In addition, other systems along business supply chain also experience growth including raw material sourcing, manufacturing, payment, logistics and “big data warehouse management”. This allows the Company to access various customer data including purchasing behavior through different channels, types on interested products, timing of purchase and purchase volume. These data will be used in developing and introducing new products and services through other businesses.

“Coolism” is the best music listening platform with an HD system broadcast online through the website and Coolism application with over 1.8 million audience per month. Through relationship building activities with listeners for over 20 years, Coolism possesses supplier database (sponsors), quality products and services as well as customer database with diversified lifestyles. This can be considered new way of conducting marketing by using experience together with data analytics. Besides, relationship with stakeholders is developed further from suppliers to business partners and listeners to customers to build on “Partnership” strategy to drive business towards growth at a higher speed.

In the past year, Coolism application activated Cool-anything menu that the Company, suppliers and listeners can jointly create values which is regarded as “trust” to deliver quality products and services that are properly selected for customers. Listeners can enjoy the music and at the same time shop online for products that meet their diverse needs. This is the so-called “Enterntainmerce Model” which is the Company’s core strategy that combines entertainment business and e-commerce together.

Product Development with “Wellness Innovation for A Better Life”



To strengthen commerce business of RS, Lifestar Co., Ltd., a subsidiary, is positioned as a leader in innovation to create and develop health products and brands that include both nutritional supplement and beauty products with high effectiveness and differentiated properties using advanced science, modern technology and international award-winning innovation. The objective is to play a part in enhancing quality of life of Thai people to be comparable to international levels. Lifestar has introduced outstanding product innovations as follows

Raw Material Innovation

The Company premiered its functional drink under “CAMU C” brand which is juice mixed with Camu Camu vitamin C 200%. This is the first and only product in Thailand containing the extract of “Camu Camu, King of Vitamin C” as the main ingredient with the origin from the Amazon. One camu camu has 50 times and 100 times higher vitamin C than an orange and a lime respectively, supplemented with vitamin B12. Now available for Thai people anywhere for their good health every day.

R&D Innovation with Global Partners

S.O.M. Probio-10 is a dietary supplement under the joint R&D with Danisco, a company under Dupont, USA who is the leading player in global food industry. This “copyrighted dietary supplement” has 10 strains and 50 billion cells of probiotics in 1 capsule with the benefits to boost immune systems and adjust the balance of digestion at the same time.



3) SUPPLIERS

The Company is committed to promoting relations with business suppliers and developing work processes to co-create values with all stakeholders through supply chain management while considering environmental, social and governance (ESG) issues as well as thorough risk management. This will lead to value creation and long-term value generation across supply chain including higher competitiveness. Therefore, RS Group has established the Suppliers Code of Conduct to set directions for sustainable business development of RS Group and suppliers and define standards and practices for suppliers to study and adopt in working with RS Group.

RS Group strictly adheres to honesty and fairness with suppliers by treating every supplier across supply chain with vendor selection processes and contract conditions or terms that are based on fair compensation for both parties without biasedness and any situation that may lead to a conflict of interest. Moreover, the Company conforms to duties to suppliers and helps educate and develop potential of suppliers as well as focusing on elevating standards to be at international levels alongside with promoting business ethics, labor treatment, human rights, quality management, occupational health and safety, participation in community development and environmental conservation. Furthermore, monitoring, audit, evaluation and knowledge development are continuously carried out in doing business together with suppliers.

Nevertheless, RS Group intends to set operational standards to be higher than requirements according to the law with the expectation to encourage suppliers to adopt related practices with responsibility, equity and equality for all stakeholders so that suppliers will grow together with RS Group in a sustainable manner. Additional information on the Suppliers Code of Conduct can be found at https://www.rs.co.th/category/policies_corporate_documents/

Practices

- 1) Communicate with primary suppliers to acknowledge and comply with Suppliers Code of Conduct for sustainable development of the Company.
- 2) Evaluate suppliers on environmental, social and governance aspects on a regular basis.
- 3) Monitor work efficiency of suppliers through the annual self-assessment of suppliers.
- 4) Establish proper supply chain management covering vendor selection processes, monitoring and performance evaluation for suppliers.
- 5) Communicate with suppliers at operational levels on expected performance to be in accordance with the Company's standards.
- 6) Communicate with suppliers to acknowledge and understand impacts on human rights that may occur from operations.
- 7) Monitor and investigate all complaints received through whistleblowing channels.



Sustainability Risk Management of Suppliers



1) Primary Supplier Identification

The Company has set guidelines for existing and new suppliers with the categorization of suppliers into 2 groups per following

- Primary supplier means suppliers with high spend, products that are difficult to substitute, key product ingredients according to the strategy or high and extremely high risks in case of losing the supplier. The Company has a plan to prepare a supplier assessment form and pay a visit to examine standards and jointly develop a mitigation plan for different risks according to supplier sustainability practices to ensure that these suppliers are able to manage risk to be at a level without significant impacts to the Company.
- Secondary supplier means suppliers with low to medium spend and not included in the primary supplier group. The Company has a plan to prepare a supplier assessment form according to supplier sustainability practices to ensure that these suppliers will be a part of efficient supply chain management of the Company.

For the past 2021, top 10 suppliers of the Company are listed below:

- RS Mall, the main distribution channel of the Company, has the top 10 primary suppliers who accounted for 67% of total spend which can be categorized into product expenses of business partners, transportation expenses and marketing expenses respectively.
- Lifestar, the manufacturer of products under the Company's brands, has the top 10 primary suppliers who accounted for 77% of total spend which can be categorized into OEM expenses and marketing expenses respectively.

This is consistent with the Company's policy to not rely on one particular supplier as there was no supplier with the significant proportion of cost to total sales and service cost of more than 10%. Nevertheless, the Company is active in searching for new suppliers to provide alternatives and to continuously enhance competitiveness in the future.



2) Supplier Risk Assessment

The Company adopted an organization-wide risk management framework as criteria covering all dimensions as follows:

Dimension	Consideration Criteria
Economy	Price, quality, delivery time, credit term Promotion of innovation co-creation with suppliers Transparent and accountable performance reporting with clear evidence and documents.
Environment	Environmental management in compliance with applicable laws and regulations Suitable, accurate and systematic waste management in accordance with regulatory requirements
Society	Fair labor treatment and respect for human rights Community and society participation to elevate quality of life of the people with sustainability
Governance	Business conduct under corporate governance principles, Code of Conduct, and related laws and regulations. Establishment of the Anti-Corruption Policy



3) Risk Management and Monitoring

In 2021, the Company started to prepare a self-assessment form for suppliers on ESG for the first year with the focus on the risk assessment for suppliers of Lifestar Co., Ltd. who are OEMs of the Company which can be categorized as new suppliers, suppliers who manufacture strategic products and products with high volume of sales. The Company conducted the assessment with 6 primary suppliers out of 10 suppliers and the assessment score was at 99% from the target of 100% and planned to extend the assessment to cover other primary suppliers in the future.

Credit Term Policy for Suppliers

The Company places importance on liquidity and cash cycle management and determines proper credit terms to the Company’s suppliers by considering different factors including length of business relationship, type of product, product quality or inventory turnover. In addition, the Company set credit terms to be in accordance with fair principles and proper benefits for all parties.

Details on the credit terms are listed below:

- General suppliers have credit terms of 30-60 days from the day they receive products or services, or they can pay by installments according to contract conditions pursuant to notifications of the Office of Trade Competition Commission.
- Suppliers who are small and medium enterprises (SMEs) have credit terms of 30–45 day to support their liquidity to be continuously used as working capital in the economic system.

Innovation Co-Development with Suppliers



The COVID-19 crisis has driven changes in people behavior around the world especially the online shopping behavior of consumers while Thailand is one of the highest growth countries which is a good sign for the country to move towards digital economy.

Despite high growth for overall online shopping, a large number of operators both old and new have entered the market with discounted prices and sales promotions to attract demand to their channels. Therefore, unique selling points and differentiators from innovation and new technology are considered important alternatives for operators to create new experience and enjoyment for customers during their shopping.

The Company jointly develops innovation with high-potential suppliers like AIS 5G who is a digital life service provider and the expertise in providing 5G mobile network using AR (Augmented Reality) technology and VR (Virtual Reality) technology to create fresh shopping experience for customers. Under this collaboration, V-Avenue.Co was launched as an e-commerce platform in the format of the first virtual mall in the world under 12-month development period to bring 5G technology and VR technology together with simulations of real shops to offer new realistic 360 degrees shopping experience comparable to physical shopping of products and services in department stores.

To attain sustainable business in the long run, only quality products that address needs of consumers might not suffice but it requires partners with high-potential technology and innovation to drive business further. This is the strength of V-Avenue that the Company co-created with its business partner with a shared vision to drive the country towards digital economy in the future.

V-Avenue.Co offers new forms of shopping experience through 5G with over 600 items with special prices from health and beauty products to amulets, fashion, household appliances and pet products. RS Mall was designed as a four-storied building that offers enjoyment from shopping of diverse products as well as new content formats in Studio zone.

Note that the number of visits to V-Avenue.Co virtual mall since it was opened in May 2021 until the end of 2021 stood at over 3 million people. This is considered a success resulted from collaboration of leading partners to enhance e-commerce business potential of the Company. Roles of digital technology especially virtual reality or VR are important tools to drive commercial technology in the future. (Source : <https://thestandard.co/ais-5g-v-avenue>)

This co-development of innovation is according to the growth strategy of the Company to focus its product distribution on online platforms. As a result, at the end of 2021, revenue from online channels grew 3% from the previous year and accounted for 9% of total revenue of commerce business compared to the target proportion of revenue from online channels in 2021 of 10% of total revenue from commerce business.

4) SOCIETY AND COMMUNITY

Policy on Society and Community Participation

The Company is committed to conducting business that is conscious of social and community responsibilities while developing a strong organization and taking part in improving the quality of life of the people in Thailand. Achieving this is possible by contributing to sustainable social solutions in its business operations and continuously organizing social activities, especially in the communities around the Company’s office location. Additionally, employees are encouraged to take part in these activities to help promote their public minds. Through these efforts, the Company will gain acceptance and trust from society and communities to live together harmoniously and sustainably.

Policy on Business Innovation for Society and/or Environment

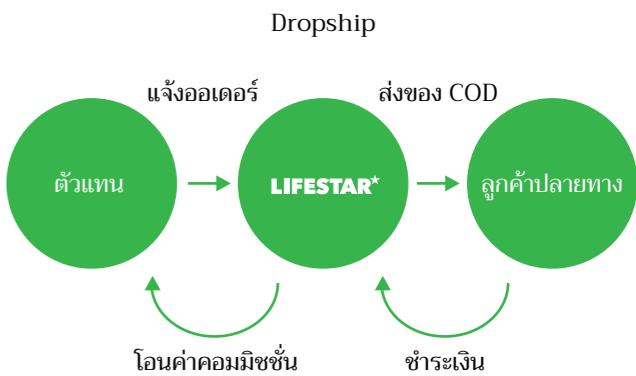
The Company strives to conduct R&D for innovation covering products, services and processes that can generate benefits, enhance competitiveness and create value added for the Company with the consideration of potential impacts on communities, society and environment as well as co-creating shared values between the Company and all stakeholders.

Practices

- 1) Analyze operational processes of the Company to create development opportunities to discover and implement innovation.
- 2) Be open and encourage internal employees with creativity to propose ideas that promote continuous innovation creation.
- 3) Encourage and collaborate with the Company’s stakeholders such as suppliers to develop innovation with social and environmental responsibility.
- 4) Promote knowledge and education through internal and external training to encourage idea exchange.
- 5) Search for channels to partner with businesses and agencies in other sectors including government agencies and educational institutions with different expertise to generate ideas to be developed to build innovation that is efficient and suitable for the Company’s business.



“well u Turning Crisis into Opportunities” Project



Having been disrupted, the Company adjusted itself to adopt Entertainmerce Model as its core in conducting business that enables the Company to generate revenue and exponential growth. Therefore, the Company leverages on this strength to inaugurate its campaign “well u Turning Crisis into Opportunities” with the purpose to deliver knowledge to people in the society to inspire them to become business owners as well as providing opportunities to turn their lives around and thrive through the crisis through job creation and income distribution.

This project is known for its support for all aspects from the Company so that people can start their businesses without worries about initial capital, inventory or delivery with coaching team to assist them in every stage of business operations. The project aims to help people in the society to get through the economic crisis and grow together in the future.



Knowledge creation and delivery are conducted through the Company’s capabilities in building knowledge warehouse through media and other resources before sharing diverse knowledge to the people. However, traditional training for agents that requires physical meeting was not possible due to the COVID-19 situation. As a result, the Company organized live coaches to meet, talk and share sales experience in groups online instead as well as making videos and online teaching materials for agents so that agents can study at their own time. This “well u Turning Crisis into Opportunities” campaign is one of the initiatives with the objective to connect the Company’s business operations on the economic side to other people in the society with the following details:

Project Timeline	Sales started in October 2021 and the project is ongoing until further notice.
Target	Create jobs and generate income for people in the society. 500 people in the first year and 10,000 people by 2025.
Performance	8,900 interested people applied for the project and received knowledge through various media. Jobs created and income realized for over 700 people or equivalent to success rate of 140% and approximately THB 4 million of income generated from selling well u collagen products.
Continuous Development Plan	The Company will add more products for agents to distribute to generate more income in the future.

“Elevating Quality of Life for People in the Society with Sustainability”



RS Group delivered 1,000 sets of facial masks, hand gels including the andrographis paniculate extract capsules “Thong-Eak”, a traditional herbal medicine produced by Lifestar, to Chatuchak District Office to distribute to people in communities affected by the COVID-19 pandemic.

RS Self-Isolation Care Boxes



RS Group passed on its caring heart through 1,000 “RS Self-Isolation Care Boxes” containing necessary medical supplies and equipment including the andrographis paniculate extract capsules Thong-Eak from Lifestar, thermometers, paracetamols, facial masks and alcohol gels to be delivered to the Department of Medical Services, Ministry of Public Health to give to green COVID-19 patients with mild symptoms to use during their home isolation.

“RS Care Bags For Communities in Chatuchak District”



RS Group set goals to continuously support communities through various projects during the COVID-19 outbreak. RS donated “RS Care Bags” to 500 households with COVID-19 patients in home isolation to express its concerns and alleviate difficulties faced by people in communities in Chatuchak district as well as others affected by the severity of the COVID-19 pandemic.

“As We Are a Part of the Community” Project



RS Group took part in helping COVID-19 patients by delivering 21,600 bottles of drinking water and 200 blankets to the community isolation of Chatuchak District Office including Prachaniwet Sport Center and Chatuchak Sport and Recreational Center to support COVID-19 patients who are unable to be treated in hospitals. Both centers have a capacity of 300 beds to host green COVID-19 patients to be later sent to hospitals.



Earlier, the Company made donations to hospitals and field hospitals to support medical workers in performing their duties through the project “Channel 8 United To Fight COVID-19” while COOLfahrenheit also ran a campaign “COOL Helps Vendors” to promote shops during its air time as well as delivering necessities such as facial masks, alcohol gels and the andrographis paniculate extract capsules “Thong-Ek” to Chatuchak District Office to be distributed to people in communities to help prevent the spread of coronavirus.

“RS Christmas Spirit” Make all Happy Possibilities” Project



RS Group attends to quality of life of everyone including pets and abandoned pets in communities by donating products and raising funds from lucky draw activity and exhibition booths of employees with The Voice Foundation and Rakmaw Foundation to support activities in helping abandoned animals to have better lives. The Company offered a total of THB 50,240 of revenue from the lucky draw and Lifestar pet food for both foundations.

“Children Share 2021” Project



The Company teamed up with Baan Nokkamin Foundation to initiate a project to deliver gifts including hand gels and facial masks to children, the impoverished and homeless people in Bangkok and communities near the Company’s office. The donated items were contributed by the Company’s employees who participated in “Children Share” event to share toys for kids from the annual Children’s Day activity.

“RS Loves the Earth 100%” Project



RS Group cares for the environment and set targets to communicate information and knowledge with employees to be a part to inspire, raise awareness and encourage employees to take care of the environment starting from changing their behaviors.

“The Rising Influencer” Project to Connect Knowledge with People in the Society



4th Apple, a subsidiary with expertise in content creation and digital marketing, initiated “Rising Influencer” campaign to search for outstanding storytellers who are expressive, unique and ready for creating content and influencing people as “Super Influencers” through various social media channels.

This campaign focused on new content creation to be shared with diverse target groups including new generations, fans of foreign idols, dance enthusiasts, cooking lovers and pet lovers. The chosen ones will have an opportunity to work with professional production teams as well as brands and leading national and international artists. They are also entitled to revenue sharing and other perks.

“Morning News for Difficulty Relief” Program



Morning News for Difficulty Relief (“Khao Chao Bantao Tuk”) is intended to offer helps for people in the society who have hardships such as homeless people, people with illnesses and people with informal debts through solving their root causes. Solutions include occupational support, medical treatment, funding and media support to connect them with related agencies. There was a total of 16 people that the program managed to support which can be categorized into 9 people for health, diseases and living conditions, 2 people for education, 1 people for job creation and 4 people for transportation and accidents. This news program is still ongoing in the future as the Company intends to be involved in promoting livelihood of people in the society to have better quality of life in a sufficient and sustainable manner.

“Think Like RS” Program



#PassiontoWin From positive feedback of fans on the video clip “Think Like RS” that gathered business concepts and points of view from over 40 years of work experience of “Hia Hor” (CEO of RS Group) to inspire everyone especially under the fast-changing world we live in.

Today RS already gathered related content for everyone to view all episodes on YouTube channel “RS Group” under the playlist “Think Like RS”

5) REGULATORY AGENCIES AND GOVERNMENT

Tax Compliance

The Company adheres to business conduct with transparency and honesty and strives to ensure accuracy and completeness for its operations related to tax and tax benefits to maximize efficiency under legal requirements including the compliance with rules on financial and tax information disclosure to the government and all stakeholders to be in accordance with corporate governance principles, Code of Conduct and sustainability guidelines. The objective is for the Company to achieve economic growth together with social development and responsibility as the Company has a strong belief that tax responsibility will help promote economic and social development of the country as a whole in the future.

Practices

- 1) Abide by laws and regulations related to tax management in each county in which the Company operates with accuracy and completeness.
- 2) Conduct tax planning and proper use of tax benefits in accordance with laws and regulations including using the tax structure with correct methods to avoid possible tax evasion.
- 3) Deliver and claim tax returns within the timeline stipulated by the law in order to maximize the benefits of the Company, government agencies and countries.
- 4) Study and consider tax impacts regularly in case of new tax laws or policies enacted or new transactions in the best interests of the Company.
- 5) Appoint a consultant with knowledge and understanding of taxation in order to comply with the law to operate correctly and reduce the risk of tax disputes, as well as assigning a responsible person to provide facts and information on the Company's operations as requested.
- 6) Encourage relevant employees to learn and enhance their tax knowledge to be able to perform their duties accurately and thoroughly.

Tax Reporting

The Company has regularly monitored and evaluated compliance with laws, rules and regulations related to tax to ensure that related parties are informed and fully comply with. In 2021, there was no case of violation or breach of tax laws or regulations which resulted in no related fine. The Company has profit before tax of THB 130,951,850 and income tax of THB 5,968,038, based on the 20% actual tax rate, which was different from the effective tax rate paid of 4.56%. Tax privileges received in 2021 include the Royal Decree No. 437 Re: Employee Training Expenses and the Royal Decree No. 604 622 642 Re: Promotion of Investment in Assets

Support of Social Development with Other Organizations

In 2021, the Company supported social development projects with other organizations per following details. Total financial support amounted to THB 1,125,681 or equivalent to 0.03% of total revenue. Last but not least, the Company also acted as a medium for audiences, listeners and customers to take part in supporting and helping the society through different social projects with total value of THB 9,738,978.





4) MANAGEMENT DISCUSSION AND ANALYSIS

The analysis in this section has been prepared from the overall performance of RS Public Company Limited and its subsidiaries (the “Company”) in accordance with data based on audited financial statements. In order to demonstrate the overall performance of the Company. The Company has been divided into 3 main business segments, including Commerce business, Media business, and Music & other businesses.

2021 Key Highlight

2021 is considered the year of investment to develop new products and brands with consistent new product launches throughout the year to enhance its competitiveness in health product market and expand target to new market to diversify current customer base

The Company made further progress in developing innovative health solutions to address health-conscious lifestyles of new generations under the COVID-19 situation while strengthening brands to enhance its competitiveness. For example, the Company introduced a collagen dietary supplement with “Multi Oil Plus - Hemp Seed Oil under the “well u” brand, a functional drink under “CAMU C” brand and pets products under “Lifemate” brand. However, the COVID-19 outbreak directly impacted the purchasing power of consumers and led to lower-than-expected sales. Nevertheless, with our readiness of both products and brands, the Company will build on 2021 to generate more sales and develop more products and SKUs under the existing brands to promote its commerce business to achieve rapid growth in near term.

As the prolonged COVID-19 pandemic caused overall revenue to contract, the Company had to adapt fast to boost sales through online channels for all businesses as well as enhance efficiency in managing expenses to mitigate the impacts

Consumer purchasing power weakened continuously due to the intensified and extended COVID-19 situation for the past 2 years. Sales activities through the telesales also took the hit and could not progress in full force. This put pressure on the Company’s commerce business while entertainment business also experienced decelerating

revenue due to falling advertising spend. As a result, total revenue in 2021 decreased 5.3% YoY at the amount of THB 3,572.8 million. Given the situation, the Company put a focus on the expansion of online channels for both commerce business and entertainment business to respond to changing consumer behavior in the new normal to improve revenue. Expense control and management was also emphasized and it led to declining SG&A expenses since 3Q21.

Net profit in 2021 tapered off in the short term due to negative external factors and intense competition.

Adverse external factors caused overall revenue to slide while expenses edged up from the development of new brands and products which led to lower net profit. As a result, net profit in 2021 decreased 75.9% YoY at the amount of THB 127.4 million.

2022, the harvest year with growth in all dimensions both for commerce business and entertainment business with the aim to reach the revenue target of THB 5,100 million.

2022 will mark the year of growth for both commerce and entertainment business that is built on the development of ecosystem. Commerce business will experience growth from sales of diverse products and brands that were developed earlier with the plan to launch over 28 SKUs of new products under the existing brands. For entertainment business, new content creation through online channels together with resumed activities and concerts will contribute to the revenue growth. Furthermore, both businesses will be reinforced by the introduction of Popcoin Smart Marketing Platform to add value to the business. This is considered the key that will drive all businesses under RS Group to attain the revenue target of THB 5,100 million in 2022.

To build on Entertainmerce model and expand our ecosystem, RS Group is ready to take on direct selling business through its investment in ULife

Investing in ULife is a shortcut to direct selling business for RS Group due to its strength on both products and a network of business partners that can fortify new business models for its commerce business as well as create synergy across the group. RS Group has an aspiration for ULife to become a top 5 new age leader in direct selling business in Thailand within 3 years.

Summary of 2020 Performance

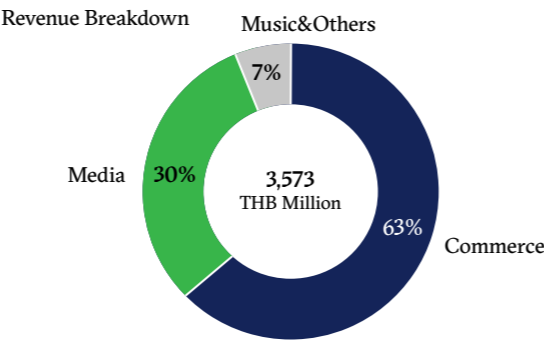
The past 2021 was a challenging year for Thai economy as the COVID-19 pandemic continued to post threats to most businesses for the second year. Economic activities were limited under strict control measures for many months. Consumer confidence was adversely affected and consumers were more careful in their spending. Luckily, during the last quarter of the year, vaccination administration satisfactorily progressed and strict control measures were gradually relaxed. Thus, economic activities resumed while the stimulus measures were imposed such as “Kon La Kreung” Phase 3 and “Ying Chai Ying Dai” scheme. Despite these positive factors, the economic recovery was still vulnerable and plagued by rising inflation and worries about the Omicron variant of coronavirus while private consumption has not picked up. As a result, Thai economy in general only experienced mild growth of 1.2%* and it is expected that Thai economy will recover better in 2022 thanks to a number of drivers including the progress of vaccination that promotes tourism, the government stimulus packages and the recovery of global economy.

*Source: Krungsri Research

Unit: THB million	2020		2021		Change	
	amount	%	amount	%	amount	(y-y)
Revenue from sales and services	3,774.2	100%	3,572.8	100%	-201.4	-5.3%
Commerce business	2,381.8	63.1%	2,263.4	63.4%	-118.4	-5.0%
Entertainment business	1,392.4	36.9%	1,309.4	36.6%	-83.0	-6.0%
- Media	1,148.2	30.4%	1,078.7	30.2%	-69.5	-6.0%
- Music&Others	244.2	6.5%	230.7	6.5%	-13.5	-5.5%
Cost of sales and services	1,768.7	46.9%	1,804.2	50.5%	35.5	2.0%
Gross margin	2,005.5	53.1%	1,768.7	49.5%	-236.8	-11.8%
Selling and administrative expenses	1,320.7	34.9%	1,678.3	46.9%	357.6	27.1%
Operating profit	684.8	18.1%	90.4	2.5%	-594.4	-86.8%
Finance costs	36.1	1.0%	59.1	1.7%	22.9	63.5%
Net profit/(loss)	528.3	14.0%	127.4	3.4%	-400.9	-75.9%

Revenue

Revenue from sales and services in 2021 recorded THB 3,572.8 million, decreasing by 5.3% YoY, mainly from a drop in commerce and entertainment revenue caused by the prolonged of COVID-19 pandemic situation. This can be explained according to the following business segments.



Commerce Business

Revenue of commerce business consists of revenue from the selling of products under the Company’s own brand and partners’ product. The Company strives to develop and select new products to offer a variety of products to better meet customer needs. To respond to health-conscious trends under the COVID-19 outbreak during 2021, the Company diversified its portfolio of products, expanded to high-growth markets, and extended to online channels to alleviate impacts from the challenging situation and enhanced its revenue

growth potential in the long run. Details on the Company’s movements are outlined below.

· Entered the mass market through development of new products under new brands including a premium collagen supplement under “well u” brand and a functional drink under “CAMU C” brand, CAMU CAMU juice mixed with 200% vitamin C focusing on the selling points of being healthy and easy to consume, consistent with the health-conscious trends of consumer these days.



· Developed Thai herbal medicine from Andrographis Paniculata under the brand “Thong-Ek” with the properties of reducing fever which became popular during the COVID-19 outbreak.

· Introduced products for pets to tap into a high growth market to find growth opportunities from increasing popularity of having pets of consumers. “Lifemate” was premiered as an upper standard pet’s food for dogs and cats with over 54 SKUs, promoting health of different types of pets with different formulas based on breeds, age ranges and activities.

· Developed a Multi Oil Plus-Hemp Seeds Oil dietary supplement under “well u” brand that helps fortify antibody and promote holistic health. This is considered the first hemp-based products while more related products are scheduled to enter the market in 2022 to generate revenue from the rising trend of cannabis thanks to its health benefits.

· Extended online channels through RS Mall Application on smartphones to accommodate product ordering to be simpler and faster as well as launched Virtual RS Mall on V-AVENUE by AIG 5G to create new virtual shopping experience for consumers in line with changing consumer behavior toward online shopping in the new normal.

Revenue from commerce business FY2021 was THB 2,263.4 million, decreasing by 5.0% YoY as a result of declining revenue from exiting products due to the weakened demand from consumers together with impacts from the work from home measure that affected telesales team to be less effective as they could not work from the office. Moreover, new products also faced issues given that convenient stores were mostly impacted from the COVID-19 control measures which led to sales lower than targets.

Entertainment Business

Media - Revenue from media business in 2021 was THB 1,078.7 million, decreasing by 6% YoY from the reason that overall spend in advertising industry continuously shrank during the COVID-19 pandemic. Brands and product owners cut down on their advertising budget while lockdown measures delayed the new content creation.

In 2021, the Company elevated its 3 main types of content including sports, dramas and news as well as imported international popular content to appeal to new groups of audience with the purpose to expand the customer base of viewers with preferences for Chinese and Indian contents. As a result, the Company managed to sustain overall rating in a high level of 0.42 and still ranked No.3 for the category of variety standard definition (Variety-SD) TV channels from the survey of AGB Nielsen Media Research (Thailand) throughout 2021.

Given the consumer trend of viewing and listening to content via online media, the Company teamed up with leading local and international partners to expand digital customer base by combining existing content rights with newly created content to be aired on VDO streaming channels such as We TV and AIS Play. On radio media business, the Company further reached new generations through collaborations with famous music streaming applications such as JOOK, Apple Music and Google Assistant to cater to younger audience and to diversify viewing channels.

Music business and others – Revenue from music and others business recorded THB 230.7 million, decreasing by 5.5% YoY from the COVID-19 control measures as the Company was unable to organize concerts or activities. However, music business continued to grow from content development of new formats through social media of RS Group to generate revenue from over 40 million accounts of social media base as well as revenue from music consumption through digital systems in the format of online streaming via leading platforms like JOOX, Spotify and Apple Music in line with recent trends of listening to music from streaming which is consistently growing.

Cost of Sales and Services

Cost of sales and services in 2021 was THB 1,804.2 million, slightly decreased by 2.1% YoY due to the increase in proportion of partners' products which provide higher marginal cost than the Company's own product and the allowance for obsolete inventories cost while cost of entertainment business mildly dropped given lower cost of organizing event and falling TV media production cost from

more rerun content.

Gross Profit

Gross profit was THB 1,768.7 million, declined by 11.8% YoY due to a decreasing total revenue from decelerated consumer demand which dented product sales as well as lower advertising spend and activities as a result of the COVID-19 outbreak. As a result, the gross profit margin at 49.5%, decreased from 53.1% in the previous year.

Commerce business recorded gross profit was THB 1,395.5 million, decreasing by 11.7% YoY from lower commerce revenue. As a result, the gross profit margin of commerce business was at 61.7% declining from 66.3% in the previous year due to higher proportion of partners' products and more promotional campaigns to boost consumer demand.

Entertainment business also experienced dropping gross profit that recorded THB 373.1 million, decreasing by 12.2% YoY due to falling revenue from lower advertising budget while events and concerts could not be organized as a result of the COVID-19 situation. As a result, the gross profit margin of entertainment business was at 28.5% declining from 30.6% in the previous year.

Selling and Administrative Expenses, and Finance Costs

The Company recorded the selling and administrative expenses of THB 1,678.3 million, increasing by 27.1% which was derived from marketing expenses from the investment to build brands of new products such as CAMU C and well u together with expenses on organization restructuring while SG&A to sales ratio stood at 46.9%. However, marketing expenses adjusted downward since 3Q21 while the plan to add more SKUs under existing brands to create economies of scale and higher sales of commerce business.

Financial costs in 2021 was THB 59.1 million, increasing by 63.5% YoY due to increasing interest expense following higher interest bearing debt for investment in Chase Asia Co., Ltd.

Net Profit

For 2021, the Company recorded a net profit of THB 127.4 million, decreasing by 75.9% YoY due to the lasting COVID-19 pandemic throughout the year which led to lower revenue from core businesses together with rising SG&A expense from investments in the brands of new products during the year. In addition, the Company recognized the profit under equity method from the investment in Chase Asia Co., Ltd in the amount of THB 82.9 million in 2021.



Financial Statements
Assets

Asset Composition

As of 31 December 2021, the Company had total assets of THB 5,803.2 million of which 18.7% was current assets and 81.3% was non-current assets.

Unit: THB million	Year 2020		Year 2021		Change	
	amount	%	amount	%	amount	(y-y)
Current assets :						
Cash and cash equivalents	200.1	4.4%	141.3	2.4%	-58.8	-29.4%
Trade and others accounts receivable (net)	711.4	15.8%	553.3	9.5%	-158.1	-22.2%
Inventories (net)	228.7	5.1%	336.6	5.8%	107.9	47.2%
Other current assets (net)	33.3	0.7%	59.9	1.0%	26.6	80.0%
Total current assets	1,173.5	26.0%	1,091.1	18.7%	-82.4	-7.0%
Non-current assets :						
Investments in an associated and joint venture company (net)	4.0	0.1%	1,063.4	18.3%	1,059.4	26,534.4%
Plant and equipment (net)	641.9	14.2%	566.6	9.8%	-75.3	-11.7%
Right of use assets (net)	471.5	10.4%	411.0	7.1%	-60.5	-12.8%
License for operation right in spectrum of digital television (net)	598.7	13.3%	526.7	9.1%	-72.0	-12.0%
Intangible assets (net)	1,314.1	29.1%	1,803.8	31.1%	489.7	37.3%
Other non-current assets (net)	312.8	6.9%	340.6	5.9%	27.8	8.9%
Total non-current assets	3,343.0	74.0%	4,712.1	81.3%	1,369.1	41.0%
Total assets	4,516.5	100.0%	5,803.2	100.0%	1,286.7	28.5%

As of 31 December 2021, main assets included intangible assets (net) of 31.1%, investments in an associated and joint venture company of 18.3% and plant and equipment (net) of 9.8%, account receivable and other receivables (net) of 9.5%, license for operation right in spectrum of digital television (net) of 9.1% and rights of use assets (net) of 7.1%, inventories (net) of 5.8% and cash and cash equivalents of 2.4%

Total assets as of 31 December 2021 stood at THB 5,803.2 million, rising THB 1,286.7 million or equivalent to a 28.5% increase as a result of higher investments in an associated of THB 1,059.4 million from the acquisition of shares in Chase Asia Company Limited. Intangible assets also jumped THB 489.7 million, representing a 37.3% increase thanks to the production and content acquisitions for broadcasting through Channel 8 TV channel.

Net inventories grew THB 107.9 million or 47.2% as the Company added more types of new products to diversify its offering and support the expansion of new sales channels including the plan to increase production to respond to higher sales in the future.

Asset Quality
Account Receivable and Other Receivables - (Net)

Trade accounts receivable classified by aging are as follows

Unit: THB million	Year 2020		Year 2021		Change	
	amount	%	amount	%	amount	(y-y)
Current	230.0	63.6%	280.3	68.8%	50.3	21.9%
Less than 3 months	113.8	31.5%	109.2	26.8%	-4.6	-4.0%
3 - 6 months	10.6	2.9%	0.5	0.1%	-10.1	-95.1%
6 - 12 months	1.6	0.4%	11.9	2.9%	10.3	643.8%
Over 12 months	5.7	1.6%	5.7	1.4%	0.0	0.0%
Total	361.7	100.0%	407.6	100.0%	45.9	12.7%
Less: Allowance for doubtful accounts	-5.7	-1.4%	-6.2	-1.5%	-0.5	-8.8%
Trade accounts receivable – others (net)	356.0	98.6%	401.4	98.5%	45.4	12.8%

Key Financial Ratios

	Year 2020	Year 2021
Receivable turnover ratio (time)	9.29	8.88
Collection days (day)	39	41

As of 31 December 2021, the Company held account receivable and other receivables (net) of THB 401.4 million, growing THB 45.4 million or equivalent to 12.8% from the same period last year due to impacts from the COVID-19 pandemic that modestly delayed the acceptance of payments. However, the Company has in place a policy to follow up closely with all its debtors to ensure that debt payments from customers are according to the credit term policy of the Company.

Policy and Guidelines on Fair Commercial Treatment related to Credit Term

1) Customers

The Company offers an average of 90 days credit term (3 months) and conducts a review on credit limits and credit terms on an annual basis as well as monitoring each debtor closely. In case of debtors with payments due longer than 1 year or with payment issues, the Company has a policy to follow up and collect debts as well as considering doubtful debt on a regular basis according to the Thai Financial Reporting Standards No.9 Re. Financial Instruments so that outstanding receivables appearing in financial statements represent actual values to be received.

For commerce business, the average collection period for account receivable for wholesale was around 30-120 days from the delivery date. For retail channels through call center or online channels, most customers pay in cash.

For entertainment business, the Company specified average credit terms for customers of 60-90 days depending on types of sales, customer groups and credibility of individual customers when credit is considered.

Regarding the age of account receivables, over 90% of account receivables were overdue less than 3 month which was in line with the credit term policy. In 2021, the Company recorded an average collection period of 41 days, close to 2020 of 39 days.

2) Suppliers

The Company issued a policy on credit terms for suppliers to be 30-60 days from the day that products and services are received or paid by installments according to the contract conditions in compliance with notifications of the Trade Competition Commission. For suppliers who are considered as small and medium enterprises (SMEs), the credit term was properly determined at 30-45 days to help boost liquidity of those suppliers to be able to manage the use of capital in the economic system in a continuous manner.

Note that for 2021, the debt collection period stood at 131 days, increasing from the previous year due to the methods of payment during 2021 which were mostly installment payments according to contracts made earlier. The installment payments depended on the acquisitions of assets such as content for programs. However, the Company intends to manage the issues to be in alignment with the credit policy for suppliers the Company stipulated.

Inventories (Net)

Unit: THB million	Year 2020		Year 2021		Change	
	amount	%	amount	%	amount	(y-y)
Cost	2370	100.0%	371.7	100.0%	134.6	56.8%
Less: Allowance for obsolete inventories	-8.3	-3.5%	-35.0	-9.4%	-26.7	322.2%
Inventories (net)	228.7	96.5%	336.7	90.6%	107.9	47.2%

Key Financial Ratios

	Year 2020	Year 2021
Inventory turnover ratio (time)	7.26	6.38
Average number of days sales (day)	50	57

As of 31 December 2021, inventories consisted of finished goods that were 94.2% consumer goods and 5.8% work in process including TV programs, concerts and marketing activities, totaling THB 336.7 million net. The number increased THB 107.9 million or equivalent to 47.2% from the same period last year. For 2021, the Company set the allowance for obsolete goods of THB 26.7 million while the Company has a policy to regularly review values of inventories for each and every accounting period so that the values of inventories shown in financial statements are not below the net value to be received. As a result, the proportion of the allowance of obsolete goods accounted for 9.4% and increased by 322.2% from the previous year. Nevertheless, the Company has a plan to deploy various sales and marketing promotions to manage inventories to be within acceptable levels to be able to distribute aged inventories from warehouses as much as possible.

License for Operation Right in Spectrum of Digital Television (net)

Unit: THB million	Year 2020		Year 2021		Change	
	amount	%	amount	%	amount	(y-y)
Cash equivalent value (present value)	1,394.7	100.0%	1,394.7	100.0%	0.0	0.0%
Less: Accumulated amortization	-796.0	-57.1%	-868.0	-62.2%	72.0	9.0%
Net book amount	598.7	42.9%	526.7	37.8%	-72.0	-12.0%

According to the order of the Head of the National Council for Peace and Order No. 4/2019 on Measures to Solve Television and Telecommunications Business Operations on 11 April 2019, the Office of the National Broadcasting and Telecommunications Commission must consider payment to or compensation for the license holder by waiving the final 2 license fee installments. As a result, the license, before deducting accumulated amortization as of 31 December 2021, had a net value of THB 1,394.7 million. The accumulative amortization for 2021 was THB 868.0 million which led to the net balance of the license value after the amortization of THB 526.7 million.

In addition, the Company makes future cash flow projections every year in order to assess the impairment of the use of the license. As of 31 December 2021, the Company has tested the impairment and found that the recoverable value was higher than the net book value; therefore, there is no impairment of the said license.

Intangible Assets (Net)

Unit: THB million	Year 2020		Year 2021		Change	
	amount	%	amount	%	amount	(y-y)
Cost	3,806.6	100.0%	4,420.5	100.0%	613.9	16.1%
Less : Accumulated amortization	-2,492.6	-65.5%	-2,616.7	-59.2%	-124.1	5.0%
Net book amount	1,314.0	-34.5%	1,803.8	40.8%	489.8	37.3%

As of 31 December 2021, intangible assets (net) was composed of 90.1% copyrights of dramas and series and 9.9% copyrights of music, computer programs and others, amounting to net value of THB 1,803.8 million. The increase of THB 37.3 million from the previous year was due to the growth of copyrights of dramas, international series and computer programs to support operating systems in various areas.

Capital Structure

Liabilities, Equity and Debt to Equity Ratio

Unit: THB million	Year 2020	Year 2021	Change	
			amount	(y-y)
Trade and other accounts payable	1,016.1	882.5	-133.6	-13.2%
Loans from financial institutions	776.1	2,067.2	1,291.1	166.4%
Lease liability agreement	450.0	394.3	-55.8	-12.4%
Other current liabilities	94.4	108.8	14.4	15.2%
Other non-current liabilities	175.8	212.3	36.5	20.8%
Total liabilities	2,512.4	3,665.0	1,152.6	45.9%
Equity attributable to owners of the parent	2,001.9	2,137.7	135.7	6.8%
Debt to equity ratio (time)	1.26	1.71		

As of 31 December 2021, the Company had total liabilities of THB 3,665.0, an increase of THB 1,152.6 million or 45.9% from the previous year. This was derived from long-term loans from financial institutions for the investment in Chase Asia Company Limited.

The Company held equity of the parent company as of 31 December 2021 of THB 2,137.7 million, increasing THB 135.7 million or equivalent to 6.8% from last year thanks to rising profit during the year of THB 135.7 million

During 2021, debt to equity ratio of the Company adjusted upward to 1.71 times from 1.26 times in 2020 as a result of the increase in long-term loans from financial institutions.

Liquidity
Cash Flow

Unit: THB million	Year 2020	Year 2020
Cash flow from operating activities	1,050.1	799.4
Cash flow from investing activities	-797.0	-2,000.2
Cash flow from financing activities	-381.4	1,142.0
Net increase (decrease) in cash and cash equivalents	-128.3	-58.9
Cash and cash equivalents, closing balance	200.1	141.2

As of 31 December 2021, the Company had cash and cash equivalents of THB 141.2 million. During the year, 2,000.2 million of net cash was used for investing activities including the investments in drama content and international series for TV media and the investment in Chase Asia Company Limited. In addition, the net cash used in financing activities was THB 1,142.0 million from long-term loans from financial institutions to be used as working capital for the expansion of the commerce business as well as investments in joint ventures. Meanwhile, the Company's net cash flow from operating activities stood at THB 799.4 million which was mostly cash received from the sales of products from the commerce business.

For 2021 in general, the liquidity of the Company mildly decreased from the previous year since the Company invested more in affiliates and subsidiaries to support the expansion of business and gain from the synergy of using shared resources and knowledge to promote and build on existing businesses of the Company for all businesses from the commercial business and the media business to the music and other businesses. This is consistent with the Company's business strategy to expand business both vertically and horizontally to generate satisfactory return and diversify risks in operating business as well as creating growth opportunities and value added in a stable manner. For 2021, the cash cycle of the Company was negative for 33 days which improved from the previous year. This is an evidence that the Company was able to manage its liquidity properly.

Key Financial Ratios

	Consolidated financial statements		
	2019	2020	2021
Liquidity Ratios			
Current Ratio (time)	0.88	0.65	0.50
Quick Ratio (time)	0.58	0.33	0.25
Cash Flows from Operating Ratio (time)	0.86	0.68	0.40
Receivable Turnover Ratio (time)	7.84	9.29	8.88
Collection Days (day)	47	39	41
Inventory Turnover Ratio (time)	7.43	7.26	6.38
Average Number of Days Sales (day)	49	50	57
Account Payable Turnover Ratio (time)	7.62	3.68	2.79
Payment Days (day)	48	99	131
Cash Cycle (day)	48	(10)	(33)
Profitability Ratios			
Gross Profit Margin (%)	44.06%	53.14%	49.50%
Operating Profit Margin (%)	13.61%	18.25%	2.58%
Operating Cash Flows to Operating Profit Ratio (%)	210.22%	152.44%	867.49%
Net Profit Margin (%)	10.03%	13.93%	3.55%
Return on Equity (%)	21.40%	28.35%	6.15%
Efficiency Ratios			
Return on Asset (%)	13.27%	17.71%	3.68%
Return on Fixed Asset (%)	111.22%	108.96%	39.88%
Assets Turnover (time)	0.97	0.96	0.70
Leverage Ratios			
Debt to Equity Ratio (time)	0.97	1.25	1.71
Interest Coverage Ratio (time)	14.34	19.43	1.81
Debt Service Coverage Ratio (Cash basis) (time)	1.11	2.40	7.27
Dividend Payout Ratio (%)	79.90%	-	263.16%
Per Share			
Book Value per Share (baht)	1.7759	2.0930	2.2331
Earnings (loss) per Share (baht)	0.3744	0.5505	0.1330

*Dividend payment rate for 2019: the dividend payment was calculated according to the resolution of meeting of the Board of Directors on 13 August 2019 to approve the interim dividend payment of THB 0.20 per share and the resolution of the meeting of the Board of Directors on 20 February 2020 to approve the dividend payment from retained earnings as of 31 December 2019 of THB 0.10 per share. The 2020 Annual General Meeting of Shareholders considered and approved the total dividend payment was THB 0.30 per share.

Outlook on the performance and financial position in the future and business strategy for 2022

RS is committed to conducting its business under Entertainmerce Model to accelerate growth of the commerce business leveraging on continuous development of new products as well as distribution channels from the entertainment business covering diverse media to reach all groups of consumers. For 2022, the Company is prompted to escalate its Entertainmerce Model at all fronts to co-develop businesses with partners with the objective to create seamless customer experience and foster seamless big data within the group of companies. Revenue target of 5,100 million baht by 2022 is to be attained through carrying out “LEAP” strategy with the following details.

· **L or Lifestyle Wellbeing Solution – Delivering business growth through product development for new markets**

RS Mall, a multi-platform shopping place for integrated healthcare solutions through 4 strategies:

- Become your wellbeing partner focusing on the selection of products for consumer health.
- Leverage on Popcoin to build the customer base and strengthen the ecosystem of RS Mall.
- Expand online channels and e-commerce to accommodate customers and enlarge the customer base.
- Develop a loyalty program under RS Mall PLUS to promote member privileges.

Lifestar was rebranded to become an innovative wellness product company to drive people toward good health and wellbeing in a sustainable manner with a plan to launch more than 28 SKUs under 4 main brands including well u, CAMU C, Vitanature+ and Lifemate. Distribution footprint is also extended to gain broader coverage while Popcoin is to be deployed as a tool to boost sales and promote engagement so that brands are closer to customers.

ULife is an up-and-coming direct selling business with over 20 years of experience and a network of more than 150,000 business partners which can help enhance the Company’s capabilities in product development to meet international standards. ULife is positioned to expand multi-level marketing (MLM) model of sales distribution and create synergy with other businesses at RS Group with a growth aspiration to become a Top 5 new age leader in direct selling business in Thailand within 3 years.

· **E or Entertainment Uplift – Elevating entertainment business through new and international contents tapping into new generations of audience.**

Diversify a portfolio of quality content in new

formats both Thai and foreign and add value through Popcoin Smart Marketing Platform.

- Channel 8 digital TV business – online penetration through new content creation to extend customer base to new generations while developing websites and applications for Channel 8 by adding appealing features for members such as point collection, fan zone and exclusive content.

- Coolism radio business – approaching young generations through smart speaker and smart device using JOOX, Apple Music, Google Assistant and Huawei Harmony OS. Revenue is to be generated from three big concerts which are “Kemikaze Party 2022”, “Dance Marathon 2022” and “21st Anniversary D2B Festival” while activities and privileges are linked through Popcoin.

- Music business – focusing on creating new content on online platforms and add value to artists by searching for sponsorship partners to be connected with brands or products.

- 4th Apple online media business – 4th Apple has a plan to produce content and cohost global events such as Food Truck Battle SS.2 and Men in Light Documentary to present stories of world-renown Thai artists as well as other stories.

· **A or Asset Monetization- Creating new revenue streams from existing valuable assets**

- Develop NFT to offer new experience for RS Music fans and the customer base of music audience of over 50 million accounts with users from all online music channels of RS Music through creation of new content formats.

- Make a joint investment in Chase Asia Company Limited with 35% shareholding to ensure Chase's strategic implementation including business synergy to create new mutual business opportunities and preparation for the IPO while filling with SEC is scheduled for 2Q22 and trading in the stock exchange is planned for 4Q22.

· **P or Popcoin Smart Marketing Platform – Creating new opportunities to deliver revenue without limit to all business units.**

Popcoin Smart Marketing Platform will be a large community connecting different groups of people together under the model “Join to Earn” which is a tool to fulfill needs and seize marketing opportunities and benefits for related parties in Popcoin Ecosystem. In 2022, the Company has a plan to adopt Popcoin in its marketing to add value to activities and deliver new forms of benefits to future content. This includes joining forces with leading brands who will use the Popcoin in their marketing campaigns as well as collaborating with the world-famous K-Pop to organize interesting activities.





5) GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION

5.1) GENERAL INFORMATION (as at 31 December 2021)

Company's Name	:	RS Public Company Limited
Type of Business	:	Three main businesses: Commerce, Media including Television and Radio, Music & Other businesses
Address	:	27 RS Group Bldg., Tower A, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Thailand
Registration No.	:	0107546000016
Registered Capital	:	1,163,996,212 Baht
Paid-up Capital	:	972,496,946 Baht
Par Value	:	1 Baht
Website	:	http://www.rs.co.th
Telephone	:	02-037-8888
Securities Registrar	:	Thailand Securities Depository Co., Ltd. 93, 14th Floor, SET Tower, Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. : 02-009-9000 Fax : 02-2009-9991 http://www.set.or.th/tsd

Auditor : PricewaterhouseCoopers ABAS Limited
179/74-80, 15th Floor, Bangkok City Tower, South Sathorn Road,
Bangkok 10120
Tel. : 02-2844-1000
Fax : 02-2286-5050
<http://www.pwc.com/th>

Legal Consultant : Legal Office, RS Public Company Limited
27 RS Group Bldg., Tower A, Prasert-Manukitch Rd.
Sena Nikhom, Chatuchak, Bangkok 10900, Thailand
Tel. : 02-037-8888

5.2) OTHER MATERIAL INFORMATION

-None-

5.3) LEGAL DISPUTES

The Company and its subsidiaries had no legal dispute that significantly affected the Company’s business or posed negative effects on the Group’s assets of which its overall value, as at 31 December 2021, was higher than 5% of shareholders’ equity. The Company and its subsidiaries had no legal dispute arisen from an out-of-the-ordinary course of business of the Group either.

5.4) SECONDARY MARKET

-None-

5.5) REGULAR FINANCIAL INSTITUTION

-None-



Section

2

Corporate Governance





6) CORPORATE GOVERNANCE POLICY

CORPORATE GOVERNANCE POLICY

The Board of Directors has set a Good Corporate Governance Policy of the Company in writing by providing a review of the Good Corporate Governance Policy and Code of Conduct, including monitoring and evaluating the implementation this policies at least once a year. The Company has published it to the Board of Directors, executives and employees at all levels to sign the policy and take it as a guideline as part of the work to be a commitment and to adhere to concrete practice including publishing on the Company’s website and internal communication channels of the Company.

Policy and Guidelines on Fair Commercial Treatment related to Credit Term

1. The Board of Directors, executives and employees at all levels determined to adopt the 6 key principles of Good Corporate Governance as follows:

Accountability	Take responsibility for your own decisions and actions.
Responsibility	Responsibility for performing duties with competence and effective enough.
Transparency	There is transparency in the work that can be checked.
Fairness	Be fair and treat all stakeholders equally.
Vision to Create Long Term Value	Have a vision to create added value for the Company in the long term.
Ethics	Have morals, ethics, Code of Conduct.

2. The Board of Directors, executives and employees at all levels determined to adopt the principles of Good Corporate Governance of the Stock Exchange of Thailand as a guideline for operating in all 5 chapter:

Rights of Shareholders	Taking into account the rights of shareholders and giving rights to shareholders in various matters including encouraging shareholders to exercise their rights as well as not doing anything which is a violation or deprivation of the rights of shareholders.
Equitable Treatment of Shareholders	Treatment of Shareholders both executive shareholders and non-executive shareholders including foreign shareholders and minority shareholder by being treated equally and fairly.
Role of Stakeholders	Treatment of stakeholders by taking the rights of each stakeholder group according to the law or agreement with the Company as well as not doing is a violation or deprivation of the rights of shareholders.
Disclosure and Transparency	Disclosure of important information to shareholders, investors, stakeholders, regulatory agencies related to the Company both financial information and non-financial information that is accurate, complete, adequate, reliable, thorough and equal and within the specified time through channels that can easily access information.
Responsibilities of the Board of Directors	Performance of duties and responsibilities of the Board of Directors to the shareholders. The Board of Directors has leadership, vision and independence in making decisions for the best interest of the Company and shareholders as a whole the roles, duties and responsibilities between the directors and the managements are clearly separated as well as supervise the administration under the framework of law and Code of Conduct.

3. The Board of Directors will supervise the business for the best interest of the shareholders by adhering to four practices:

Duty of Care	Perform duties with care.
Duty of Loyalty	Perform duties with loyalty.
Duty of Obedience	Perform duties in complying with the law, the Company's objectives, and articles of association and resolutions of the shareholders' meeting.
Duty of Disclose	Disclosure of information to shareholders is accurate, complete and transparent.

4. The Board of Directors, executives and all employees committed to implementing the guidelines of Good Corporate Governance Principles of the Good Corporate Governance Principles for Listed Companies 2017 or the Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SEC) be used appropriately and it is beneficial to creation value for sustainable the Company.

5. The Board of Directors, executives and all employees committed to implementing the practice of the Company's Code of Conduct as a guideline by adhering to conduct business with fairness, honesty and transparency.
6. The Board of Directors is responsible for ensuring financial reports and disclosures is accurate and sufficient which is in accordance with good practice and related rules.
7. The Board of Directors supports participation and fixed channels that can communicate with shareholders, investors, regulatory agencies, stakeholders including providing general information to interested parties.
8. The Board of Directors arranges for the implementation of the management structure of the Company. The authority, duties and responsibilities of each committee and managements are clearly defined.
9. The Board of Directors has implemented a risk management system and internal control to be at an appropriate and efficient level, including accounting systems and financial reports that are accurate and reliable.

6.1) OVERVIEW OF CORPORATE GOVERNANCE POLICY AND GUIDELINES OF CORPORATE GOVERNANCE

6.1.1) Policies and Guidelines for the Board of Directors

The Company is committed to upgrading its Corporate Governance (CG) to practices that promote integrity, transparency and accountability, including Corporate Governance in order to sustainable added business values. In addition to building confidence for shareholders, investors and stakeholders, the Company has adhered to the principles of Good Corporate Governance for Listed Companies in 2012 of the Stock Exchange of Thailand (SET) along with the principles of Good Corporate Governance for Listed Companies in 2017 or the Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SEC) in order to be appropriately applied and it is beneficial to creation value for sustainable the Company.

In 2021, Corporate Governance and Sustainable Development Committee presented to the Board of Directors for consideration and improvement “Good Corporate Governance Policy” to be in line with the principles of Corporate Governance Code (CG Code), aiming to be a good practice guideline for the Board of Directors, executives and employees at all levels as well as reviewing the appropriateness of the CG Code implementation.



The Good Corporate Governance Policy


The Board of Directors has established the Good Corporate Governance Policy in writing arrange for a review of the Good Corporate Governance Policy, including monitoring and evaluating the implementation of the policy at least once a year and the Company has published it to the Board of Directors, executives and employees at all levels for acknowledgment must be signed and take it as a guideline as part of the work to be a commitment and to adhere to concrete practice, including publishing on the Company's website and internal communication channels of the Company.

However, the Good Corporate Governance Policy is available on the Company's website which Board of Directors, executives and all employees can access and download at

https://www.rs.co.th/category/policies_corporate_documents/

In addition, the Board of Directors Meeting No. 6/2021, dated on 10 November 2021 has resolved to approve the improvement “Code of Business” to continuously enhance and promote corporate governance of the Company and subsidiaries (“RS Group”). The aim is to ensure that the Board of Directors, executives and all employees in RS Group have knowledge and understanding of Code of Conduct, awareness of duties and responsibilities, apply various practices related with Code of Conduct, Whistleblower Policy, and has established a monitoring and manage process to ensure compliance with the Code of Conduct and review regularly.

The Board of Directors has supports and encouraged has established Code of Conduct is available on the channels of RS Group and arrange for the Board of Directors, executives and employees to training and review on a regular basis. The aim is to make RS Group a transparent organization, acceptable to the stakeholders, developing competitiveness at the international level, including creating sustainable business growth.



Code of Conduct

The Board of Directors has established a Code of Conduct in writing arrange for a review of Code of Conduct, including monitoring and evaluating the implementation of the policy at least once a year and the Company has published it to the Board of Directors, executives and employees at all levels for acknowledgment must be signed and take it as a guideline as part of the work to be a commitment and to adhere to concrete practice, including publishing on the Company's website and internal communication channels of the Company.

However, Code of Conduct is available on the Company's website which Board of Directors, executives and all employees can access and download at

https://www.rs.co.th/category/policies_corporate_documents/

6.1.2) Policies and Guidelines for shareholders and stakeholders

The Company has followed the principles of good corporate governance in accordance with Corporate Governance Code for listed companies 2017, which is determined by the Securities and Exchange Commission to cover good corporate governance for listed companies on the Stock Exchange of Thailand. There are 5 areas covered, including shareholder rights, equal right to shareholders, roles of stakeholders, information disclosure and transparency and responsibilities of the Board of Directors and Sub-Committees.

Rights of Shareholders

- The Company attaches a great deal of importance to upholding the rights of all shareholders, as follows:
- 1) The Company's structures between the main company and sub-companies are not complex and without hidden aspects; there are no joint shareholders or cross shareholders, and no pyramid shareholding structures within the Company's group are allowed, thus ensuring shareholder confidence that they will receive their full share of investment returns.
 - 2) Care for and support for all shareholders whether they are major shareholders, individual shareholders, institutional investors or foreign shareholders, as all are entitled to equal basic rights and practices under the preservation of shareholders' rights. These rights include: the right to purchase or transfer shares, the right to receive accurate and clear information, the right to attend and vote on important transactions, the right to appoint or remove company directors, the right to set the remuneration for the Board of Directors, the right to appoint or remove auditors and set audit fees. It also

includes the right to a share of profits, the right to participate in decision-making and the right to be informed of the Company's decision-making relating to changes of the Company's fundamental features. These rights can be found on the news system of the Stock Exchange of Thailand and the Company's website, providing equal access to information.

Shareholder Meetings

- 1) Every shareholder meeting hosted by the Company is held on a date, time and place that is convenient to the shareholders who plan to attend. The meeting must be held during the Company's business days and hours.
- In 2021, the Company later held an Annual General Meeting of Shareholders on 19 April 2021, at 10:00 a.m. at the Company's Headquarters. The venue was easily accessible, including adequate public transportation options. A map with travel information and a shuttle bus schedule to the meeting were also attached in the meeting notice, which was delivered to all entitled shareholders so that they could travel to the meeting venue with ease.
- 2) At the 2021 Annual General Meeting of Shareholders, all appointed directors attended the meeting. (See details of the names of the Company's directors attending the shareholders' meeting in the shareholders' meeting minutes.)

Pre-meeting Preparations

- 1) Thailand Securities Depository Co., Ltd., the Company's share registrar, sent a meeting to shareholders on 29 March 2021, which was delivered 22 days prior to the meeting date and within the period specified by the law. Each agenda contains the principles, reasons and opinions of the Board of Directors.
- 2) Published the invitation to the shareholders' meeting, annual report, meeting documents in both Thai and English on the Company's website at <http://ir.rs.co.th> on 19 March 201 before 31 days prior to the meeting date to allow shareholders to have sufficient time to consider all information.

Actions on the Meeting Day

- 1) Barcode technology was applied to the shareholders' meeting for registration, vote tallying and displaying of results, thus allowing all operations to be done quickly, accurately and precisely.
- 2) Before the commencement of the meeting, the Chairman of the Meeting assigned the Company Secretary to explain the voting method to the meeting participants and encouraged the use of paper ballots for important agenda items, to ensure transparency and accountability.

- 3) Shareholders were granted rights beyond statutory rights, such as access to important and updated information on the Company's website, ensuring that no deprivation of the right to study the Company's information that must be disclosed according to requirements. Also, no changes were made to the agenda set forth in the notice of the meeting, nor were other agendas that were not specified in the invitation added. No additional important information changes were made without prior notice to shareholders. There was no unexpected distribution of documents containing important additional information. Additionally, no limits on the rights of those who attended the meeting of shareholders late were imposed.
- 4) The Chairman of the Meeting gave equal opportunity to shareholders to make inquiries, comments and suggestions before voting on each agenda item
- 5) Shareholders could submit questions prior to the date of the meeting via channels such as the Company's website at www.rs.co.th, emailing cs@rs.co.th, sending a letter to the Board of Directors or the Law Office of RS Public Company Limited to No. 27 RS Group Building, Tower A, Prasert-Manukit Road, Sena Nikom, Chatuchak, Bangkok 10900. Shareholders were encouraged to exercise their rights to be in line with the Good Corporate Governance Policy.

After the Shareholders' Meeting

- 1) Notification of the resolutions from the 2021 Annual General Meeting of Shareholders; allowed shareholders to review voting results within the day of the shareholders' meeting, including the number of votes for approval, disapproval, abstention and invalid ballots, for each agenda item voted upon through notification to the Stock Exchange of Thailand and disclosed on the Company's website
- 2) Prepared accurate and complete minutes of the Annual General Meeting of Shareholders by recording every detail of voting methods and vote counting, resolutions and votes for approval, disapproval, abstentions and invalid ballots (if any) for each agenda item. It also includes a list of names and positions of directors, executives, auditors and vote auditors who attended the meeting, and a summary of the shareholders' inquiries, opinions and suggestions, including explanations of the directors and executives who answered questions on each agenda item.
- 3) Delivered the meeting minutes to the Ministry of Commerce and the Stock Exchange of Thailand, as well as published the minutes on the Company's website on 29 April 2021, which was published within 14 days of the meeting as specified by law. Meeting minutes.

Equitable Treatment of Shareholders

1) The invitation letter contained details of the meeting’s agenda, supporting documents for shareholders to exercise their rights and to clearly state acknowledgment or approval, opinions of the Board of Directors, the rules and regulations applied in the meeting, map and details of the meeting venue. Also, the letter included documents required by attendees prior to the meeting, as well as a proxy form as specified by the Ministry of Commerce in order to maintain the right to attend the meeting.

2) Before addressing the agenda, the Secretary of the Meeting informed the shareholders of the rules and regulations used in the meeting, types of shares, voting rights, voting procedure, and counting and score display methods.

Protection of Minor Shareholder Rights

1) The Company put forth the names and information of Independent Directors as an option for shareholders who are unable to attend the meeting themselves. Such shareholders may consider appointing the Independent Directors to attend and vote on their behalf. Shareholders are notified if the Independent Director has any conflicts of interest related to agenda items. In the 2021 Annual General Meeting of Shareholders, 360 shareholders utilized Independent Directors of the Company as proxies.

2) Between 30 November to 30 December 2020, the Company published information on the Company’s website, providing opportunities for minor shareholders to propose agenda items to be included in the meeting agenda and to nominate persons to be elected as Directors, with qualification and consent of the nominees. During that period for submission, “there were no proposals regarding the meeting agenda and there were no nominations of persons to be elected as Directors”.

The agenda is specified in the invitation letter without changing the meeting agenda. Do not change any important information without notifying the shareholders in advance. Do not suddenly distribute documents containing additional important information and does not limit the right to attend the meeting of shareholders who are late, etc.

Using Internal Information for Profit

The Company treats internal information and all non-public disclosed business information as important and confidential, as disclosure would impact the Company. Therefore, the Company’s personnel must keep internal information confidential, unless authorized to disclose or as required by law.

Therefore, the Company set a policy to keep internal information confidential and only between the people involved. It also imposes severe penalties on those who use internal information for their own benefits. The details are as follows:

1) Directors, executives and employees must not use or provide internal information and information of business partners for their own benefit. The Company’s directors, executives and employees are jointly responsible for keeping the confidential and internal information secret, and not leak it to third parties as well as employees who are not privy to such information.

2) Limited access to internal information that is not yet available to the public, rather only for the persons involved

3) Disclosure of the Company’s information is only allowed by the appropriate authority

4) Directors, executives and all employees have a duty to protect and maintain internal information and not seek to benefit from internal information, even after they are no longer an employee of the Company.

5) Directors and senior management have a duty to report securities holdings, and to report changes in securities holdings, under Section 59 of the Securities and Exchange Act B.E. 2535 (1992), within 3 business days of the date of purchase, sale, transfer or acceptance of transfer of securities, to the Securities and Exchange Commission (SEC). They must also deliver a copy to the Legal Department to be compiled and reported to the Board of Directors on a regular basis, with accurate disclosure in the Annual Report.

6) Directors and senior management should avoid buying, selling, transferring or accepting transfers of the Company’s securities 3 weeks prior to the public release of the Company’s financial statements, and should wait at least 48 hours to start trading again.

7) Unauthorized persons who disclose internal information or information that has not yet been made public, causing damage to the Company, are legally liable.

This requirement includes a spouse or cohabitant, husband, wife, parent, descendant, adopter, or an adopted child and siblings of the same parents or siblings of either the same father or the same mother of the directors, executives, employees and workers of the Company. Any employee who violates the aforementioned regulations commits a serious offense and may be punished through a verbal warning, or dismissal from their work.

Remark: Executives, by the definition of the Securities and Exchange Commission (SEC), are responsible for reporting changes to legal securities holdings. This includes all securities such as common shares or warrants, etc.

Intellectual Property or Copyrights

The Company recognizes the importance of intellectual property and copyrights. The Company is determined to avoid action that would violate intellectual property laws, whether it is an idea, innovation, copyright, patent or trademark. The main issues are summarized as follows:

1) All employees are responsible for keeping trade secrets, including business information, and the Company’s technical data. Employees must protect the confidential information of the Company or of our business partners. The obligation to protect confidential information will continue until the employee has left the Company.

2) All employees have a duty to protect, safeguard and maintain the intellectual property owned by the Company against any violation or unauthorized use.

3) The Company will respect and not violate intellectual property of both internal staff and outsiders.

4) Executives and employees are encouraged to think about and create intellectual property works, for the benefit of the Company.

Disclosure of Information and Transparency

The Company understands that its information, in all aspects, affects the decisions of investors and stakeholders. Therefore, we have a policy to disclose both financial and non-financial information by being accurate, complete, transparent and timely, and all parties can equally and easily access information via the various provided channels.

1) Top management assigns the person with the authority to disclose information to perform the disclosure of the Company’s information. There is also a central agency providing information to the public, which are Corporate Image and Communications Department, Investor Relations, Company Secretary, etc.

2) Disclosure of information is subject to the strict regulations of the Stock Exchange of Thailand, Office of the Securities and Exchange Commission, and related laws. This includes equal disclosure of information to shareholders and the public, which in addition to being published on the website of the Stock Exchange of Thailand, it is also published on the Company’s website, including both the Thai and English version.

· Information disclosed on a regular basis includes the Company’s vision, financial status, performance and information from the Annual Report.

· Information that is not to be revealed includes significant information that has not been disclosed to the public or to any unauthorized employee, or to a group of



persons or any others (including investors, the press and analysts) until the information has been made public.

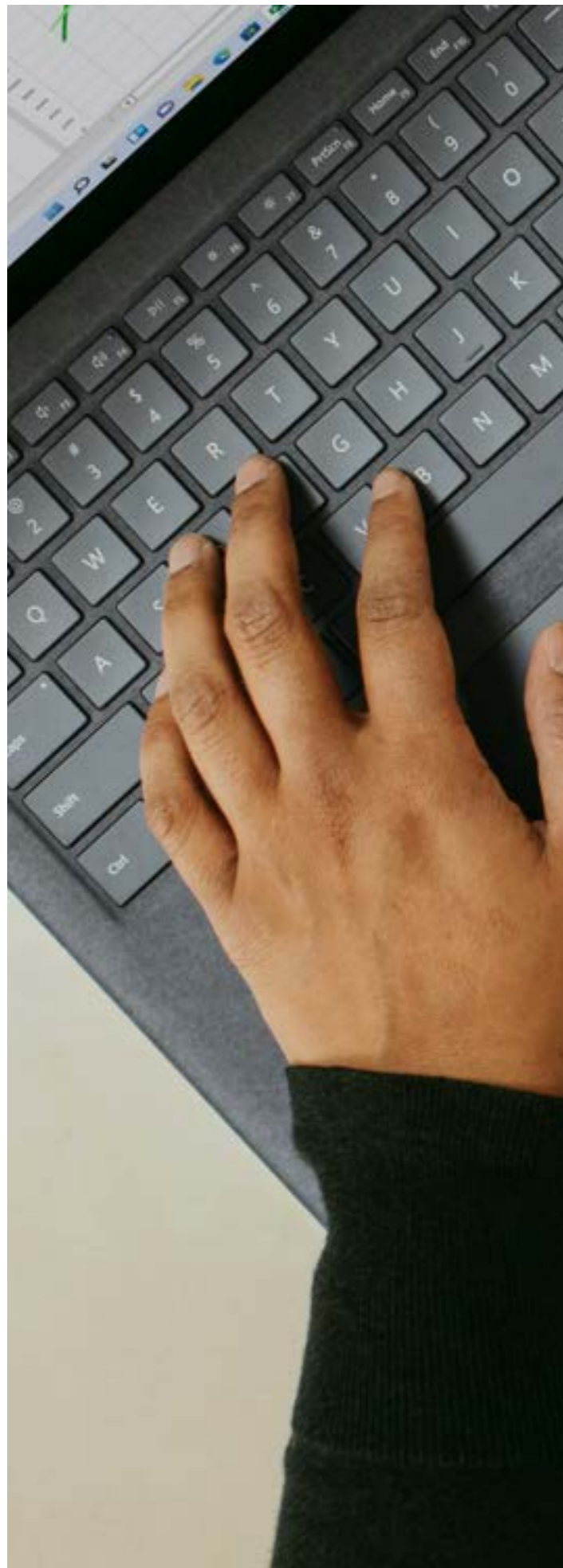
· In certain situations, the Company may need to consider disclosing information to the public for business reasons. For example, if disclosure will affect the Company’s business negotiations.

3) Preparation of financial reports

The Company takes responsibility by preparing accurate, complete, transparent and timely financial reports, in order to protect the Company’s assets from being lost or used by unauthorized persons; prevents fraud and unusual operations, and sticks with the accounting standards generally recognized in Thailand; and complies with laws and related announcements to boost stakeholders’ confidence in the financial reports. The Board of Directors has assigned the Audit Committee to supervise the preparation of financial reports to ensure the use of appropriate accounting policies, including reviewing the accuracy and sufficiency of financial reports. The Audit Committee requires a meeting with the auditors without the management’s presence at least once a year to inquire and seek opinions from the auditor on various matters. In addition, there is a report on the Board of Directors’ responsibility for financial reports.

This covers important matters according to the Code of Conduct for the Board of Directors recommended by the Stock Exchange of Thailand. It is presented in conjunction with the Auditor’s Report in the Annual Report.

4) Investor Relations Department, the detail of Investor Relations are shown in cause 7.6.2



6.2) CODE OF CONDUCT

The Company provides a Code of Conduct manual for directors, executives and employees in the Group. There is an operating framework with common standards and ethical values, which takes into account various groups of stakeholders. Our Code of Conduct policy identifies key principles, including performing duties with integrity, equality of human rights for all stakeholders, non-infringement of intellectual property or copyright, corporate social and environmental responsibility, respect for stakeholders, the protection of information and assets, and the supervision of the use of internal information. We communicate, review and revise the business ethics annually. In addition, the full version of the Code of Conduct is published on the Company's website.

The Company has clearly communicated its core values and corporate culture, both internal communication and external communication by the Company to enhance understanding and encourage behaviors that are consistent with core values and corporate culture both in terms of work and daily life until it can be called as the DNA of employees in the end.

The process that underpins these is clarity of purpose, applying Leadership Management Principles exemplary sponsorship develop of the Company's personnel employees and supervisors are assessed for their roles that promote the use of core values and culture as a part of Code of Conduct.

6.3) MAJOR CHANGES AND DEVELOPMENTS IN POLICIES, PRACTICES AND GOVERNANCE SYSTEMS OVER THE PAST YEAR

1) The evaluation under the Corporate Governance of Thai Listed Companies for 2021: The Company was ranked in the level of "Excellence" or 5 star rating by the Thai Institute of Directors (IOD).

2) The Board of Director meeting No. 2/2021 had resolution approved its intention to join the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and the Company has submitted a declaration of intent to join CAC on 3 May 2021.

6.3.1) Review of Guidelines, Policy and Corporate Governance System

The Company has continually improved its policies, guidelines and corporate governance systems. The Board of Directors Meeting No. 6/2021, held on 10 November 2021 to reviewed the Company's Code of Conduct and promote the Good Corporate Governance Policy of the Company and its subsidiaries ("RS Group") continuously.

6.3.2) Implementation of the Corporate Governance Code for Listed Companies 2017

During 2021, the Company has conformed to the Good Corporate Governance except for the following instant:

1) The Executive Directors' remunerations that have been received as the Directors of other companies were not disclosed as it is not information of the Company.

2) The Chairman of the Board of Directors is the same person as the Chief Executive Officer, and represents major shareholder. However, as structure of the Company's Board of Directors consists of three eighth of Independent Directors, which shall have check and balance in business operations.

3) The Director did not set out the term of the position for Independent Director not more than 9 years as the Director commented that Independent Director has knowledge, ability and long-term experiences. To serve as a long-term Independent Director will be able to more in-depth understand the Company's operation.

4) The Company does not use a cumulative voting system for appointing Directors, as we have a policy based on one-share-one-vote. However, we provide an opportunity for minor shareholders to propose agenda topics prior to the shareholder's meeting and to nominate persons to be elected as Director at the Annual General Meeting of Shareholders via the Company's website prior to the meeting date.

6.3.3) Other practices in accordance with Good Corporate Governance for supporting the assessment

1) The Company that avoids corrupt practices and authorities have notified investors towards better judgment and decision making.

2) Not to violate the criteria necessary for maintaining the status as a listed company on the Stock Exchange of Thailand, and allow for Independent Directors and Audit Committee.

3) The Company prohibits suspicious securities trading behavior by its Directors or Executives, or activities declared as offenses by the SEC.

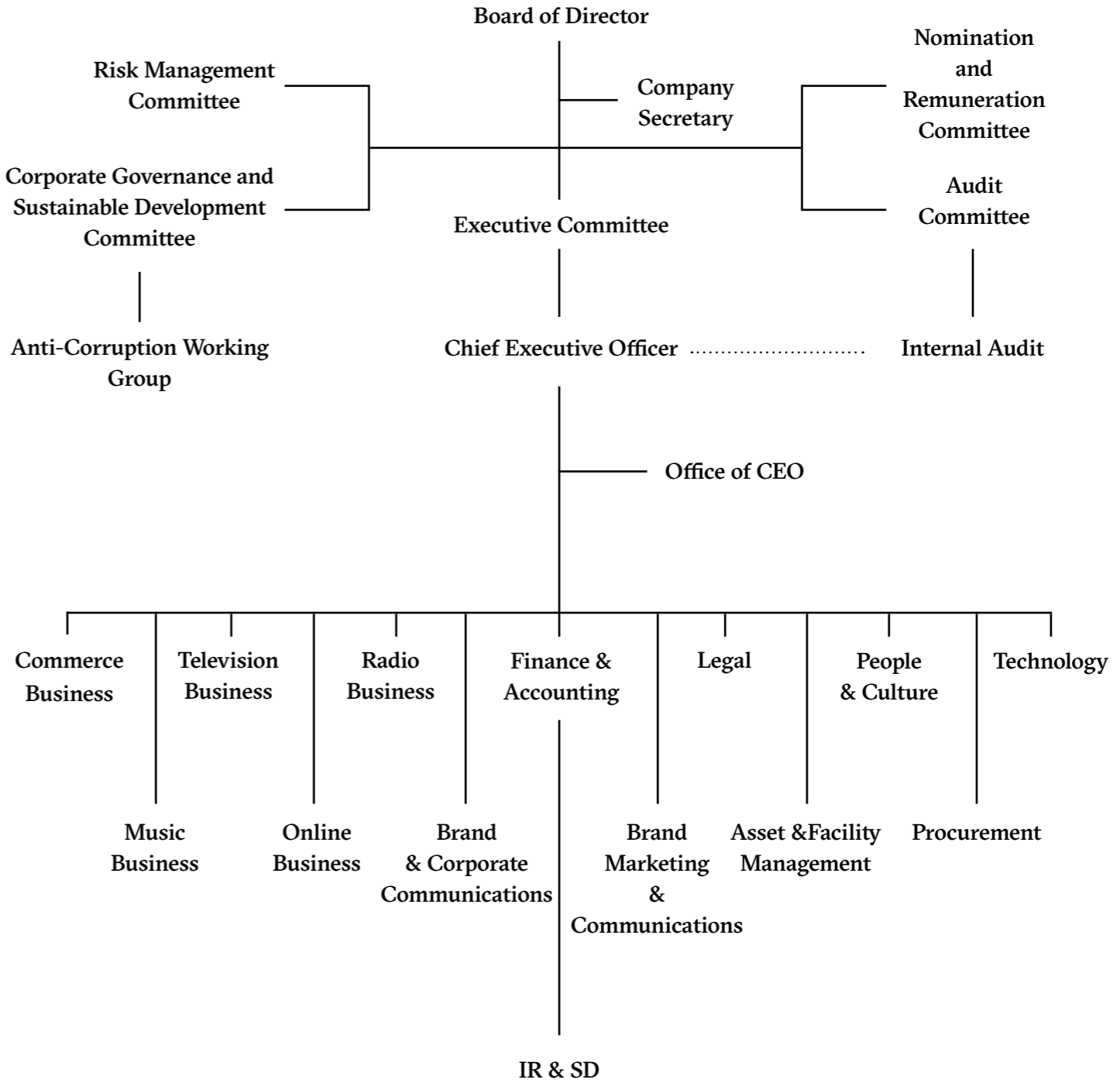
In this regard, the Board of Directors has prepared the "Good Corporate Governance Policy" and the "Code of Conduct" which are published on the Company's website for third parties and stakeholders to review. They are also used to communicate within the Company, and are provided to directors, executives and employees to study and understand and appropriately apply to operations.





7) CORPORATE GOVERNANCE STRUCTURE AND SIGNIFICANT INFORMATION REGARDING TO THE BOARD OF DIRECTORS, SUB-COMMITTEES, EXECUTIVES, EMPLOYEE AND OTHERS

7.1) CORPORATE GOVERNANCE STRUCTURE



7.2) INFORMATION REGARDING THE BOARD OF DIRECTORS

Management structure of the Company consists of the Board of Directors and five subcommittees namely
1) Executive Committee 2) Audit Committee 3) Nomination and Remuneration Committee
4) Risk Management Committee 5) Corporate Governance and Sustainable Development Committee

Composition of the Board of Directors

As at 31 December 2021, the Board of Directors consists of eight following qualified persons:



Information of the Board of Directors

Name	Position	Type of Directors
1) Mr. Surachai Chetchotisak	Chairman / Chairman of the Executive Committee	Executive Director
2) Mrs. Pornpan Techarungchaikul	Director / Executive Committee / Chairman of the Risk Management Committee / Company Secretary	Executive Director
3) Mr. Wittawat Wetchabutsakorn	Director / Executive Committee / Chairman of the Corporate Governance and Sustainable Development Committee / Risk Management Committee	Executive Director
4) Mr. Danaisidh Peslapunt	Director / Risk Management Committee	Executive Director
5) Mr. Sorat Vanichvarakij	Director	Non-Executive Director
6) Mr. Phisit Dachanabhirom	Director / Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee	Independent Director
7) Mrs. Wansuda Thanasaranart	Director / Audit Committee / Nomination and Remuneration Committee	Independent Director
8) Mr. Supakit Assawachai	Director / Audit Committee / Nomination and Remuneration Committee	Independent Director

Remarks: *Mr. Supakit Assawachai was appointed as a Director / Audit Committee / Nomination and Remuneration Committee to replace Mr. Chakkrit Parapuntakul, effective from 30 June 2021.
Definitions in accordance with the regulation of the Capital Market Supervisory Board
· Executive Director means a director who is an executive position and also an employee of the Company and has management responsibilities.
· Non-Executive Director means a director who is not an executive position and has no management responsibilities.
· Independent Director means an outside director who is not an Executive or a regular employee of the Company or an Executive Director or Director who is authorized to sign on behalf of the Company. They are independent from major shareholders, management and related persons, able to act to protect the interests of all shareholders equally, and can help avoid creating a conflict of interest between the Company and related persons.

Directors Who are Authorized to Sign on Behalf of the Company

“Directors who are authorized to sign on behalf of the Company are Mr. Surachai Chetchotisak, Mr. Danaisidh Peslapunt, Mrs. Pornpan Techarungchaikul and Mr. Wittawat Wetchabutsakorn, any two of these four Directors can jointly sign and affix the Company seal.”

Roles and Duties of the Board of Directors

The Extraordinary General Meeting of Shareholders No. 1/2003 held on 13 January 2003 had the resolution to determine the scope of the Board of Directors' authority. The Board of Directors is in charged with overseeing the Company's operations to be in compliance with the laws, objectives, Articles of Association as well as the policies and resolutions of shareholders' meetings. The Board of Directors has an authority to appoint the Executive Director or assign any other persons to take any or several actions under the control of the Board of Directors except for the actions stated below. Those actions can be performed after receiving the approval from the shareholders' meeting. In case where the Director or any person has a conflict of interest with the Company or its subsidiaries, the Director involved in that conflict shall not be entitled to vote on that matter:

- 1) Any matters prescribed by the laws that it requires an approval of the shareholders' meeting.
- 2) Entering into any transactions where the director gains the interest and the laws and regulations of the Stock Exchange of Thailand prescribe that it requires an approval of the shareholders' meeting.

The following cases must be approved by the Board of Directors' Meeting and the shareholders' meeting with a voting score of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote:

- (1) Selling or transferring the Company's businesses for the entire or an important part of the business.
- (2) Acquiring or receiving transferred business from other companies or private entities to the Company.
- (3) Entering into, amending or terminating of the rental contracts for the entire business of the Company or an important section of it. Appointing any persons to run the Company's business or a merger with any persons for the purpose of profit and loss sharing.

(4) Amending the Company's Memorandum of Association or Articles of Association

(5) Increasing or reducing capital, issuing debentures, mergers or dissolution of the Company.

(6) Any actions prescribed by the Securities and Exchange Act or the notifications of the Stock Exchange of Thailand that it requires an approval of the shareholders' meeting, such as the acquisition or disposal of assets of the listed company or any connected transactions.

The duties, responsibilities and approval authorization of the Board of Directors of the Company are set forth below:

1) Overseeing and determining the objectives and main goals of the business operation on a sustainable basis. The objectives and goals are consistent to create value for the Company, its customers, its stakeholders, and society as a whole.

2) Ensuring that the objectives and goals, including strategies, in the medium term and/or annually are in accordance with the achievement of the objectives and main goals of the Company by using innovation and technology appropriately and safely.

3) Monitoring creation of a corporate culture that adheres to ethics respects the rights and responsibilities of shareholders and stakeholders, benefits society, develops or reduces negative impacts on the environment, and acts as a role model.

4) Monitoring the administrative structure and performance of the Board of Directors to be appropriate towards the achievement of the objectives and main goals of the business operation efficiently.

5) Ensuring that all Directors carry out their duties and responsibilities with a duty of care and a duty of loyalty to the organization and oversee the Company's operation to be in compliance with laws, Articles of Association, and resolutions of the shareholders' meetings.

6) Overseeing the evaluation of the Chief Executive Officer's performance.

7) Overseeing the determination of the remuneration structure, ensuring that it enables employees to work in line with the objectives and main goals of the organization, and determination of guidelines and factors of performance evaluation for the Company.

8) Considering and approving the setting and revision of the vision and mission, strategies, goals, business direction, annual plans, and annual budget. Monitoring the management

to carry out to be in line with policy and plans efficiently and effectively.

9) Considering the appropriateness and sufficiency of risk management systems and internal controls.

10) Considering the determination of the authorization levels that are suitable for the responsibilities of the management.

11) Considering the determination of the framework for the allocation and management of resources to be effective and efficient to take into account the impact and development of resources throughout the entire value chain in order to achieve the objectives and main goals in a sustainable manner. This includes the determination of development and budget such as making employees management policy and plan as well as policies concerning information technology, which provide a framework for the governance and management of information technology for the organization that is consistent with the Company’s needs. Also overseeing that information technology is used to increase business opportunities as well as in the development of operations and risk management so that the Company can achieve its objectives and main goals.

12) Considering pursuit and evaluation of the operations.

13) Overseeing that the disclosure of financial and non-financial information is reliable and appropriate.

14) Monitoring the adequacy of financial liquidity and ability to pay debts.

15) Ensuring that, in the case where the business is experiencing financial difficulties, or is likely to encounter trouble, the Company has a plan to fix the problem or has other mechanisms available to resolve the financial issues, subject to consideration of the rights of stakeholders.

16) Ensuring that various actions adhere to the good corporate governance policy and the Company’s ethics guidelines.

17) Considering and approving significant transactions, as defined in the law, regulations, policies, and related standards, or under authority matrix of the Company.

18) Considering and fixing the qualifications of the Chief Executive Officer or equivalent based on skills requirements in accordance with recruiting the top management framework of the Company.

19) Consider and set the Anti-Corruption Policy and guidelines and supervise the overall anti-corruption and corruption prevention system in order to have a system that supports effective anti-corruption. This is to ensure that the Company’s directors, executives and employees are aware of and truly attach importance to anti-corruption and cultivating a corporate culture.

The Company’s Board of Directors is responsible for consideration of the list of new Directors who have been screened and presented by the Nomination and Remuneration Committee. The nominated Directors must be ready to dedicate their time, knowledge, and capabilities for the Company, and also understand the duties and responsibilities of Director. The Company has in place the procedure to keep new Directors informed about its business and operation for them to possess profound knowledge and understanding in the Company’s business.

In addition, the Board of Directors shall conduct the annual assessment of their performance in line with the self-assessment form for each individual director and the whole board to examine, as well as enhance the efficiency of their performance.

Scope of Duties and responsibilities of the Chairman of the Board of Directors

Serving as the Chairman of the Board of Directors and having the casting vote in case where the Board of Directors votes and there is a tie, being able to call the Board of Directors’ Meeting, acting as the Chairman of the General Meeting of Shareholders of the Company, and carrying out any duties prescribed by laws as the specific duties of the Chairman including the following duties:

1) Monitoring and supervising to ensure that the duty of the Committee is carried out effectively and to achieve the objectives and main goals of the organization.

2) Ensuring that every Director has been involved in promoting a culture of ethical behavior and good corporate governance.

3) Discussing with the Board of Directors and the Chief Executive Officer on the determination of the meeting agenda and taking measures to ensure that the important issues are included on the agenda.

4) Allocating sufficient time for the management to propose issues and gather enough members to discuss key issues carefully, and encouraging each Director to use their discretion judiciously and to express their opinion independently.

5) Strengthening the relationship between the Executive and non-Executive Directors as well as between the Board of Directors and the management.

Remark: The Chairman of the Board of Directors and the Chief Executive Officer are the same person, but the Company has measures to balance power between the Board of Directors and the management. The Board of Directors’ Meeting No. 4/2017 resolved to approve the appointment of the Independent Director, Mr. Phisit Dachanabhirom, who hold a position of the Chairman of the Audit Committee to jointly determine the agenda items of the Board of Directors’ Meeting as an alternative to create the balance between the Board of Directors and the management and in order for the Company to have an international standard practice in good management, to enhance transparency and efficiency in management to be acceptable, to build confidence among shareholders, investors, stakeholders. In addition, the Board of Directors has clearly specified the roles and duties of the Chairman of the Board of Directors emphasizing the benefits of the Company, shareholders and all stakeholders. All Directors are able to discuss and make suggestions independently at the meeting. In addition, all Independent Directors shall evaluate the performance of the Chairman of the Board of Directors on a regular basis.

7.3) INFORMATION REGARDING SUB – COMMITTEES

The Company’s Board of Directors appoints the Sub - Committees to screen the relevant details by regulating the scope of duties and responsibilities of each committee.

Most members of the Sub - Committees are Independent Directors except the Executive Committee, Risk Management Committee, and Corporate Governance and Sustainable Development Committee. The Chairman of the Board will not hold any positions as member in all Sub-committees except the Human Development Committee. Moreover, it also regulates Independent Directors to act as Chairman of each Sub-committee except the Executive Committee, Risk Management Committee, Corporate Governance and Sustainable Development Committee and Human Development Committee. At present, the Company has 5 Sub - Committees namely, the Audit Committee, Nomination and Remuneration Committee, Executive Committee, Risk Management Committee, and Corporate Governance and Sustainable Development Committee.

1) Executive Committee

As at 31 December 2021, the members of the Executive Committee consist of three qualified persons whose names are listed as follows:

Name	Position	Type of Directors
1) Mr. Surachai Chetchotisak	Chairman of the Executive Committee	Executive Director
2) Mrs. Pornpan Techarungchaikul	Executive Committee	Executive Director
3) Mr. Wittawat Wetchabutsakorn	Executive Committee	Executive Director

Scope of Duties and Responsibilities of the Executive Committee

The Board of Directors Meeting No. 1/2003 held on 28 January 2003, the Board of Directors Meeting No. 2/2013 held on 14 May 2013 the Board of Directors Meeting No. 6/2019 held on 18 December 2019 and the Board of Directors’ Meeting No. 5/2020 held on 17 June 2020 had passed the resolutions to determine the scope of duties and responsibilities of the Executive Committee as follows:

1) Approving loans, lendings or applying for credit from financial institutions as well as acting as surety or making payments for general activities of the Company. The credit limit of each item must be less than 500 million baht or equivalent.

2) Appointing and withdrawing the Company’s employees who are ranked below Chief Executive Officer (previously called Managing Director).

3) Initiating, suggesting and formulating policy for the business direction and business strategy of the Company and present to the Board of Directors.

4) Setting up corporate and management structures and Executive Committee to cover all aspects of the recruiting, training, employment and termination of the Company’s employees.

5) Formulating business plans and management powers, approving the annual budget for business operations and expenses, managing business plan and strategy of the Company according to the policy and business direction which presented to the Board of Directors.

6) Being responsible for other duties assigned by the Board of Directors in each period.

Incidentally, approval for carrying out the activities mentioned above would not be granted in cases where the Executive Committee, or parties authorized by the Executive Committee, is authorized to approve activities that may conflict with the Company and its subsidiaries’ interests (according to under the Company’s Articles of Association and the announcements of the Office of the Securities and Exchange Commission (SEC)). Exceptions would be made for those activities carried out under policies and regulations approved by the Board of Directors, whereby the Board of Directors has the authority to amend or change the scope of the duties and responsibilities of the Executive Committee whenever necessary or reasonable.

2) Audit Committee

As at 31 December 2021, the members of the Audit Committee consist of three qualified persons whose names are listed as follows:

Name	Position	Type of Directors
1) Mr. Phisit Dachanabhirom*	Chairman of Audit Committee	Independent Director
2) Mrs. Wansuda Thanasaranart	Audit Committee	Independent Director
3) Mr. Supakit Assawachai	Audit Committee	Independent Director

Remark: * Mr. Phisit Dachanabhirom is the member of Audit Committee who has knowledge and experiences in reviewing the Company's financial statements. He is the certified auditor CPA License No. 966. He renders his audit services for non-listed company.

Scope of Duties and Responsibilities of the Audit Committee

- 1) To attend the Board of Directors’ meetings for policy determination and business decision-making as well as business supervision;
- 2) To consider, select, nominate independent persons to act as auditor, and to propose the annual audit fees, including the following issues:
 - To consider the independence of the Auditor such as non-audit service which may cause the lack of independence such as accounting system implementation, etc.
 - To hold at least 1 meeting per year with the Auditor without attendance by the Management for the Auditor's opinions on matters;
- 3) To consider policies and practices of the Internal Audit Department for appropriateness and consistent effectiveness;
- 4) To consider and review the annual audit plan of the Internal Audit Department;
- 5) To review the Company's internal control system and internal audit for appropriateness and effectiveness together with the auditors both internal and external, including other considerations, as follows:
 - To approve the appointment, transfer, dismissal and salary raise consideration for the head of internal audit department, thus, for true independence of such department;
 - To consider the independence of the internal audit department based on the performance of duties and reporting, including the chain of command of this department;
- 6) To consider the quarterly audit reports and recommendations of internal and external Certified Public Accountants; and to follow up the progress of the results as per such recommendations;
- 7) To review the quarterly financial transactions of the Company and its subsidiaries for correctness and reliability; and to disclose sufficient data as per the good governance practice;

- 8) To supervise and review the Company's \compliance with the laws and regulations of the Stock Exchange of Thailand and other related laws;
- 9) To review the compliance with the Company's policies and the anti-corruption internal control system;
- 10) To consider the related transactions or transactions with potential conflicts of interests to be in accordance with the laws and regulations of the Stock Exchange of Thailand, thus, to ensure that such transactions shall be reasonable and for the utmost benefits of the Company;
- 11) To consider problems or limitations resulting from the audit of financial statements in cooperation with the auditor;
- 12) To receive the whistleblower from employees and stakeholders relating to improper transactions in financial statements, including other corruption issues with independent inquiry process and proper follow-up; and to report the results thereof to the Board of Directors on a quarterly basis;
- 13) To provide corporate governance reports of the Audit Committee by disclosing them in the Annual Report of the Company; whereas, such reports shall be signed by the Chairman of the Audit Committee and shall consist of the following information:
 - The number of meetings of the Audit Committee and meeting attendances of each member of the Audit Committee;
 - Opinions of the Audit Committee in the following subjects:
 - Completion, correctness and reliability of the financial reports of the Company;
 - Adequacy of the internal control system of the Company;
 - Compliance with the Securities and Exchange Act, Regulations of the Stock Exchange or with the laws relating to the Company’s business;
 - Suitability of the auditor;
 - Transactions with potential conflicts of interests;

- Opinions or overall observations that the Audit Committee has received from the performance of authorities and responsibilities under the Charter;
- Other transactions that shareholders and general investors should be acknowledged under the scope of duties and responsibilities as assigned by the Board of Directors;

3) Nomination and Remuneration Committee

As at 31 December 2021, the Nomination and Remuneration Committee consists of three qualified persons whose names are listed as follows:

Name	Position	Type of Directors
1) Mr. Phisit Dachanabhirom	Chairman of the Nomination and Remuneration Committee	Independent Director
2) Mrs. Wansuda Thanasaranart	Nomination and Remuneration Committee	Independent Director
3) Mr. Supakit Assawachai	Nomination and Remuneration Committee	Independent Director

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

- 1) Considering criteria and procedures for selecting a person who is qualified to hold office as a Director, select best candidate in adherence to the procedures set out, and make the recommendation to the Board of Director who shall subsequently propose the nominee to the shareholders’ meeting. The duties and responsibilities can be outlined as follows:
 - Determining qualifications of a nominated Director in accordance with the structure, size and composition of the Board set forth by the Board, by taking the following steps:
 - Considering a combined suitability of knowledge, experience and expertise to determine desired qualifications.
 - Assessing the independence of each candidate to see whether he/she is completely or incompletely qualified as an independent Director, and considering whether it is necessary to seek a new independent Director in the case that the numbers of independent Directors do not reach the numbers as stated in the Board's policy.
 - Considering each candidate's promising dedication of time.
 - Selecting and nominating a suitable candidate for the Board to consider and propose that nominee for final consideration and appointment by the shareholders’ meeting with the following procedures.
 - Determining a method of Director selection that suits the Company's specific characteristics.
 - Considering the list of candidates, and selecting the best one whose qualification meets the requirements set out.

- 14) The Audit Committee shall have authorities to invite executive directors, executives or related parties to give information or to attend meetings;
- 15) Any other actions as assigned by the Board of Directors with consent from the Audit Committee;

- Conducting a careful examination to make sure that the nominated candidate is duly qualified in accordance with the laws and regulations established by the authorities.
- Approaching qualified candidate to make sure that he/she agrees to accept the position as a Director when he/she is appointed by the shareholders of the Company.
- Proposing candidate's name to the Board for consideration and inclusion of such name into the invitation letter of the shareholders’ meeting and subsequently proposing the matter to the shareholders’ meeting for approval.
- Selecting and nominating the Chief Executive Officer for the vacant position. The Nomination and Remuneration Committee will consider the following criteria:
 - Being a director of the Company in accordance with the Articles of Association of the Company.
 - Having the knowledge and ability of business operation. CEO's qualifications that will be required have skills, experience, professional in various fields and highly beneficial to the Company.
 - Having consistent experience in strategy and management of the Company.
 - Organizational leadership experience and highest level of leadership.
 - Well accepted by authority.
 - Having the Board of Directors approval.
 - Passing the conflict of interest criteria.

- 2) Considering a model and guidelines on the payment of Directors’ remuneration which will be proposed to the Board who will further propose the matter to the shareholders’ meeting for approval.

- 3) Considering guidelines for evaluating Chief Executive Officer's performance.
- 4) Considering determination of the annual remuneration of Directors.
- 5) Considering the offering for sale of the new ESOP (or warrants) to Directors and employees under the conditions that will induce Directors and staff members to perform duties with their best effort, add long-term value to the
- shareholders, and truly enable to retain efficient and competent personnel; provided that the value of such incentive scheme shall not be too high and should be fair to the shareholders of the Company.
- 6) Any other actions as assigned by the Board of Directors.

4) Risk Management Committee

As at 31 December 2021 the Risk Management Committee consists of three qualified persons whose names are listed as follows:

Name	Position	Type of Directors
1) Mrs. Pornpan Techarungchaikul	Chairman of the Risk Management Committee	Executive Director
2) Mr. Wittawat Wetchabutsakorn	Risk Management Committee	Executive Director
3) Mr. Danaisidh Peslapunt	Risk Management Committee	Executive Director

Scope of Duties and Responsibilities of the Risk Management Committee

- 1) Considering the policy, framework and procedure on the risk management, and including giving advice to the Company's Board of Directors and management team on risk management.
- 2) Supervising and supporting the risk management so that it is according to plan, and results in achievements for the organization as well as in the project level.
- 3) Considering the Company's important risks on the organizational level, and evaluate the risk management procedures to be in accordance with the Company's strategy and business plan.
- 4) Reporting performance to the Audit Committee and the Company's Board of Directors.
- 5) Any other actions as assigned by the Board of Directors.

5) Corporate Governance and Sustainable Development Committee

As at 31 December 2021, the Corporate Governance Committee and Sustainable Development Committee consists of three qualified persons whose names are listed as follows:

Name	Position	Type of Directors
1) Mr. Wittawat Wetchabutsakorn	Chairman of the Corporate Governance and Sustainable Development Committee	Executive Director
2) Ms. Kunchanya Karuhadej	Corporate Governance and Sustainable Development Committee	Executive
3) Mr. Parin Fuangvut	Corporate Governance and Sustainable Development Committee	Executive

Scope of Duties and Responsibilities of the Corporate Governance and Sustainable Development Committee

- 1) To consider, review and propose Good Corporate Governance Policy, Code of Conduct, Sustainable Development Policy of the Company, and other policies and practices that support business operations aligning with the principles of Good Corporate Governance in order to promote transparency, fairness and support the sustainable growth of the Company.
- 2) To ensure that policies and the practices of clause 1 are implemented continually, further developing the Company. Such policies and practices must be consistent and appropriate to the business of the Company and to the recommendations of related governing bodies.
- 3) To follow up and review the operation systems within the organization to comply with the Code of Conduct and good practices. This includes comparing the Company's Good Corporate Governance principles with international standards and with the Stock Exchange of Thailand, and to propose improvements to the Board of Directors on a regular basis.
- 4) Any other actions as assigned by the Board of Directors.

Corporate Social Responsibility

- 1) To consider, review and propose policies for social and environmental responsibility.
- 2) To scrutinize activities and set up a framework for corporate social responsibility.
- 3) To consider and approve the Company's strategy in order to achieve goals aligned with social and environmental policies.
- 4) To consider, monitor progress and assess success, which includes the quality of social and environmental actions.
- 5) To perform other duties as assigned.

Anti-Corruption

- 1) To establish methods, criteria and procedures to align with the Anti-Corruption Policy, through proposals to the Audit Committee and the Board of Directors.
- 2) To support and drive cooperation in practice in order to comply with the Anti-Corruption Policy.
- 3) To notify, cultivate and educate Executives, employees, customers, business partners and those who do business with the Company on the Company's Anti-Corruption Policy.
- 4) To review and supervise the Company's performance related to duties in accordance with the Anti-Corruption Policy, and to give opinions and reports as required.
- 5) To report business performance and important meeting minutes to the Audit Committee and Risk Management Committee for consideration, especially if it seems significant.
- 6) To perform other duties as assigned.

Responsibility for Whistleblowing Policies and Measures

- 1) To prepare policies and measures for whistleblowing within the framework of laws and regulations of the governing body, which includes the Stock Exchange of Thailand, the Securities and Exchange Commission and other related departments.
- 2) To regularly consider, review and improve whistleblowing policies and measures.
- 3) To report any complaints, wrongdoings and corruption within the Company to the Board of Directors, and to provide comments and suggestions to revise and improve as appropriate.
- 4) To notify employees and all stakeholders who are involved with the Company to acknowledge the Company's whistleblowing policies and measures.



7.4) EXECUTIVES

Executives Team

As at 31 December 2021, the members of Executive Team consist of five qualified persons whose names are listed follows:

Name	Position
1) Mr. Surachai Chetchotisak	Chief Executive Officer
2) Mrs. Pornpan Techarungchaikul	Chief Commercial Officer
3) Mr. Wittawat Wetchabutsakorn	Chief Financial Officer
4) Mr. Danaisidh Peslapunt	Chief Legal Officer
5) Ms. Kunchanya Karuhadej	Chief People Officer

Remarks: Executive means executive as per definition from Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551 (2008) Re Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities.

Scope of Duties and Responsibilities of the Chief Executive Officer

The Board of Directors' Meeting No. 1/2003) held on 28 January 2003, the Board of Directors' Meeting No. 2/2013 held on 14 May 2013 and the Board of Directors' Meeting No. 6/2019 held on 18 December 2019 had passed the resolutions to determine the scope of duties and responsibilities of the Chief Executive Officer (previously called "Managing Director"). The Chief Executive Officer is authorized to approve any acts necessary for or related to the normal business operation of the Company with the credit limit of each item less than 50 million baht or equivalent. However, the Chief Executive Officer has no authority to deal with any Connected Transaction or Acquisition or Disposition of major Assets of the Company and/or the transactions or matters which the Chief Executive Officer or any persons who may be in conflict with, or have conflict of interest with the activities of the Company or its affiliated companies. In such instances, such transactions or matters will be proposed to the Audit Committee and/or the Board of Directors (as the case may be) for consideration and approval.

Company Secretary

The Board of Directors has appointed the Company's personnel who is qualified and experienced to act as the Company Secretary and perform duties in accordance with section 89/15 and 89/16 of the Securities and Exchange Act (No.4) B.E.2551, with effect from 31 August 2008, with accountability, carefulness, and loyalty and to comply with relevant laws and regulation, Articles of Association of the Company, the resolutions of the Board of Directors and shareholder's resolution. The Company Secretary has main duties and responsibilities, as follows:

- 1) Organize and manage the Board of Director's Meeting, and shareholder in accordance with relevant laws, regulation and good practices.
- 2) Give preliminary advices and suggestions to Board members on legal issues, and rules, regulations and practices of the Company in a manner of good corporate governance.
- 3) Maintain the Report on Interest of Directors and Executives and submit a copy of the Report on Interest according to Section 89/14 to the Chairman of the Board of Directors and the Chairman of Audit Committee within 7 days.
- 4) Ensure that corporate information disclosure and related regulatory filings are in accordance with laws and regulations.
- 5) Coordinate with regulatory such as The Office of the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).

The Board of Directors Meeting No. 1/2008 held on 29 February 2008 had passed its resolution to appoint Mrs. Pornpan Techarungchaikul to be the Company Secretary.

Policies on remuneration of Executive Directors and Senior Executive Officers (including and Chief Executive Officer)

The Nomination and Remuneration Committee shall determine the remuneration for the Executive Directors and Senior Executive Officers (including and Chief Executive Officer) to be in accordance with their performance by considering various criteria based on several factors, i.e., their duties and responsibilities, business operation outcome, implementation of policies received from the Board of Directors, administrative abilities under different economic and social situations, business development capability, and improvement of operation efficiency each year. The Nomination and Remuneration Committee shall propose the remuneration of Executive Directors and Senior Executive Officers (including and Chief Executive Officer) to the Company's Board of Directors for consideration and approval.

Remuneration of Executive Directors and Senior Executive Officers

Remuneration of Executive Directors and Senior Executive Officers

The Company has five Senior Executive Officers whereby three persons also serve a position of the Executive Directors.

Monetary Remuneration

- Monetary remuneration including salary, bonus and others amounted to 60.65 million baht.
- Other welfares in the form of provident fund to four Senior Executive Officers approximately 1.92 million baht.
- The remuneration of the Executive Directors and the Senior Executive Officers amounted to 6.95 percent of total remuneration of the Company.

Non-Monetary Remuneration

- Company car, Medical Examination, Training, etc.

The report of the security holding of the Company's Director

The Summary of the Security Holding of the Company's Directors as of 2021 below:

No.	Name	Common share (share)			Warrant (RS-W4) (Unit)			Futures Contract (Contract)		
		31 Dec. 2020	change	31 Dec. 2021	31 Dec. 2021	change	31 Dec. 2021	31 Dec. 2021	increase / decrease	31 Dec. 2021
01	Mr. Surachai Chetchotisak	220,200,000	9,750,000	229,950,000	44,799,999	-	44,799,999	8,800	4,700	13,500
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
02	Mrs.Pornpan Techarungchaikul	-	-	-	-	-	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
03	Mr. Wittawat Wetchabutsakorn	-	-	-	-	-	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
04	Mr. Danaisidh Peslapunt	550,000	(550,000)	-	110,000	(110,000)	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
05	Mr. Sorat Vanichvarakij	98,000,000	-	98,000,000	19,600,000	(19,600,000)	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
06	Mr. Phisit Dachanabhirom	-	-	-	-	-	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
07	Mrs. Wansuda Thanasaranart n	-	-	-	-	-	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-
08	Mr. Supakit Assawachai	-	-	-	-	-	-	-	-	-
	Spouse /who live and cohabit together as husband and wife and/or underage children / juristic person which holding more than 30% of shares	-	-	-	-	-	-	-	-	-

7.5) EMPLOYEES

As of 31 December 2021 the Company had 1,304 employees in total, consisting of 1,008 full-time employees and 296 contract employees with compensation as follows:

Monetary Remuneration

- Monetary including salary, bonus and others for the year 2021 amounted to 811.50 million baht.
- Other welfares in form of provident fund totaling approximately 30.84 million baht. (There are 738 employees who are member of the provident fund, accounted of 76.96 percent of total number of the eligible employees)

Non-Monetary Remuneration

- Health insurance and life insurance according to the position level. It covers medical benefits in both outpatient and inpatient cases.
- Right to purchase products, food and beverages of the Company in employee price.
- Free parking for employees to facilitate traveling to work.
- Employee shuttle service between the office and the train station.
- Fitness Center & Wellness Program after working hours, 2 days a week to encourage employees to be healthy and build good relationships with colleagues.
- Welfare subsidies from the Company in the form of a basket to visit fever when employees are sick and hospitalized funeral assistance in the event of a family member deceased and employee's marriage assistance.
- Annual health check for employees.
- Provide 3rd dose of COVID-19 vaccine, booster to continuously strengthen employees' immunity.
- Support equipment to prevent the spread of COVID-19 such as masks, alcohol gel, temperature measuring devices.
- Food support for employees who come to camp at the office to reduce the risk of traveling to work during the epidemic situation of COVID-19.

Details of the number of employees by business groups of the Company as at 31 December 2021

Business Group	Number of Employees				
	Male (Person)	%	Female (Person)	%	Total (Person)
Commerce Business	134	23.26%	442	76.74%	576
Television Business	261	62.14%	159	37.86%	420
Radio Business	20	52.63%	18	47.37%	38
Online Business	8	36.36%	14	63.64%	22
Music Business	13	50.00%	13	50.00%	26
Others	99	44.59%	123	55.41%	222
Total employees	535	41.03%	769	58.97%	1,304

The Company does not employ people with disabled people or other disadvantaged groups. According to the law, the Company must employ a total of 14 people. However, the Company makes contribution to the fund for those who are not hired in accordance with the law in its entirety.

Employee Compensation and Benefit

The Company is well aware of the importance of compensation and benefits for all employees to ensure that the Company will be able to retain employees who demonstrate efficient and strong performance.

Under the current business competition situation, employees will receive compensation and benefits at an appropriate, fair and equal rate and in accordance with the same or similar compensation standards. The Company aim to inspire and motivate a love and connection with the Company, as well as to encourage employees to achieve creatively, which will help lead the Company to steady growth.

Components of Compensation Packages

The Company determines the components of the compensation packages, for both the short and long term to be as follows:

- 1) Determination of annual salary and bonus involves consideration of the position, roles, duties and responsibilities of each employee. This includes relevant experience and responsibilities. In addition, there is to be consideration of a salary increase in accordance with an employee's work performance, in both the short and long term, and inflation, which consists of:
 - 1.1) The Company's overall goals will be determined by the figures of income growth, sales profits, cost management and administrative expenses
 - 1.2) The department goal, determined by the performance of the department, that has been assigned by the Company
 - 1.3) Consideration of an individual is determined by Objectives and Key Results (OKR) performance measures

2) Other benefits

Other benefits may be referred to in the employment contract of an employee, to provide a sense of security such as overtime payments, life insurance, accident insurance, medical insurance, employee training and development, annual health checkup and other allowances, etc.

The Company set up a registered provident fund under the Provident Fund Act B.E. 2530 (1987) for staff of the Company on a voluntary basis for employees being members of the fund. Employees can choose investment plans in the provident fund as desired and according to their own risk levels. In 2021, the Company made contributions to the K Master Pooled Fund. Details of savings and contributions are as follows:

Year of Service	Employee's Contribution	Employer's Contribution	Employer's Contribution (In case of termination of membership)
Less than 2 years	2-3% of Salary	employer matches a percentage of members' contribution, but not exceeding 3%	0%
2-5 years	2-5% of Salary	employer matches a percentage of members' contribution, but not exceeding 5%	50%
More than 5 years	2-7% of Salary	employer matches a percentage of members' contribution, but not exceeding 7%	100%

3) In case of termination

In the case of terminating an employee who did not commit an offense, but is yet within the Company's right to terminate the employment, the Company will notify the employee one pay period prior to the next salary payment date, or at the latest on the day of salary payment. If the Company does not want an employee to continue to work after termination of employment, the Company will pay wages instead of providing advance notification. The payment shall be in an amount equal to the time notified in advance, and their compensation will be paid at the most current salary rate and according to the working period under the Labor Protection Act.

It is imperative that the Company considers the compensation for employees and workers according to the details specified in their contract of employment. Adjustments to compensation are determined by the growth of business operations, including annual revenue and profit. It shall be consistent with the short-term company performance and includes an increase of the compensation rate to cover annual inflation. The Company will appraise its performance each year to determine whether or not long-term goals are met. However, other forms of employee compensation, including the employee stock option program and the employee joint investment program, will be determined by the Company at appropriate times.

7.6) OTHER IMPORTANT INFORMATION

7.6.1) Information of Company secretary, Person Supervising Accounting, Head of Internal Audit and Head of Corporate Compliance information

The Person Supervising Accounting

Mrs. Nuansong Limpanaruk, Director of Accounting was appointed to be directly responsible for the supervision accounting of the Company. To perform the duties of supervising the bookkeeper to prepare the accounts according to reality and in accordance with the law, having qualifications and conditions of being an accountant in accordance with the rules prescribed in the announcement of the Department of Business Development and have been trained in accounting knowledge Including attending annual training to develop knowledge in accounting continuously which is in accordance with the rules of the Department of Business Development and the Office of the Securities and Exchange Commission (SEC), which is specified for not less than 6 hours per year, with the qualifications shown in Attachment 3 of this document.

Head of Internal Audit

Mr. Prot Jaimsuan was appointed to be directly responsible as the Head of Internal Audit. To serve in planning, auditing and working to achieve objectives and report the results of the audit to the Audit Committee by providing analytical data, evaluation, recommendations and advice according to the guidelines set by the internal audit standards including other works. In this regard, the person holding the position of Head of Internal Audit has qualifications, educational background, and has professional knowledge, experience and training that are appropriate enough to perform such duties. The qualifications are shown in Attachment 3 of this document.

Head of Compliance

Mr. Poonyavee Chaiyarungsakul, Assistant Director of Company Secretary was appointed to be directly responsible for supervisory acting as a Compliance Unit to supervise the business operations of the Company and RS Group in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies or other units related to the Company's business operations with educational quaifications a peson who has professional knowledge, experience and training that is suitable enough to perform such duties. The qualifications are shown in Attachment 3 of this document.

7.6.2) Investor Relation

In 2021, the Company has elevated sustainable development to be an integral part of its business conduct in all dimensions to drive the organization towards stable growth in the long run. The Company also enhanced its information disclosure related to the preparation of sustainable development report to be in accordance sustainability assessment framework of the Stock Exchange of Thailand in One Report format with 19 sections as well as aligning with the framework from the 4th generation of Sustainability Report Guidelines imposed by the Global Reporting Initiative (G4:GRI) that covers indicators related to material sustainability issues. This will allow investors both in Thailand and in foreign countries to have a good understanding of the sustainability performance of the organization and to benchmark the information with international standards.

In addition, the scope of work of Investor Relations Department is also extended to "Investor Relations and Sustainable Development Department" with the objective to become the key unit responsible for promoting knowledge and understanding of sustainable development, integrating and fostering a proper culture, as well as recommending and deliberating action plans for each unit of the Company so that they can uninterruptedly incorporate sustainability issues in related work processes. Furthermore, the department is in charge of performance monitoring and information gathering to prepare sustainable development report for the organization. This is to ensure that sustainability efforts are undertaken in the same direction consistent with strategies and goals set by the Company in the long run.

Information of Investor Relations and Sustainable Development Department:

· Head of Investor Relations and of Sustainable Development Department :

Mr. Wacharapong Leethochawalit,
Assistant Director of Sustainable Development Department

- Telephone: +66 2037 8126 or 8128
- Website: <http://ir.rs.co.th>
- E-mail: ir@rs.co.th
- Facebook: <https://facebook.com/RSInvestorRelations/>
- Twitter: https://twitter.com/rs_ir
- LINE :w ir_rs

Details of Scope of Work of Investor Relations and Sustainable Development

In the year 2021, the Company met and provided information to analysts, shareholders and investors both during 2021, the Company regularly held meetings and provided information to analysts, shareholders and investors in Thailand and foreign countries through various activities. Given the COVID-19 situation during the past year, most of the meetings were organized through virtual conferences to be consistent with social distancing and to achieve optimal time management. Details of the activities are as follow

· Arranged analyst meetings to announce operating performance of the Company on a quarterly basis to provide opportunities for analysts to meet with executives to answer inquiries in different issues as well as publishing supporting documents for the meetings on the Company's website.

· Participated in events hosted by the Stock Exchange of Thailand and securities firms to join conferences with institutional investors and foreign investors with the objective to offer opportunities for investors in Thailand and overseas and shareholders to meet top executives of the Company to respond to queries in different topics and to be informed of the future plans including new strategies and collaborations in various areas with business alliances that the Company was undertaking. Examples of events in 2021 include

- Opportunity Day (for listed companies to meet investors) and SET Digital Roadshow organized by the Stock Exchange of Thailand
- Conferences with local funds hosted by KTBST Securities Public Company Limited
- Conferences with local funds hosted by UOB Kayhian Securities (Thailand) Public Company Limited.
- Conferences with local funds hosted by Thanachart Securities (Thailand) Public Company Limited.
- J.P. Morgan's Thailand Conference and J.P. Morgan Asia Rising Dragons 1x1 Forum hosted by JP Morgan Securities (Thailand) Limited.
- CITIC CLSA ASEAN Access Month and CITIC CLSA Flagship Investors' Forum 2021 hosted by CLSA Securities (Thailand) Limited.
- Small Cap Book 2021 hosted by RHB (Thailand) Public Company Limited.
- TISCO Exclusive Talk hosted by TISCO Securities Company Limited
- Yuanta Corporate Day hosted by Yuanta Securities (Thailand) Company Limited

Throughout 2021, executives and investor relations team have met with analysts, investors and local and foreign

funds to discuss about the overall Thai economy and industry, and impacts to the Company as well as directions, operating performance of the Company and new business development. Moreover, executives also gave interviews through various investment media in various occasions and he Company had chances to welcome investors at the head office for visits to different business units under commercial business, TV and radio media including warehouse to gain a mutual understanding of work systems for every additional business.

Investor relations places high priority on information dissemination for all stakeholders in an equitable, inclusive and prompt manner. In 2021, the Company began to present its business information via social media under the program "Direct to RS" with a format of live streaming on RS IR Facebook page to offer a direct channel to present key business development information of the Company to all groups of investors. This particularly enables retail investors to access information with ease and convenience at the same day as the conference with analysts or funds. The Company was the first listed company to set up this direct channel to share business information for investors. Note that investors can watch "Direct to RS" program at <https://facebook.com/RSInvestorRelations/>



In 2021, executives and investor relations team met analysts and investors in Thailand and foreign countries to provide key information through the following activities.

Activity	Number of Times
Company Visit or Conference Call	26
Roadshow in Thailand and Overseas	5
Site Visit	2
Analyst Meeting	4
Fund Meeting (with local funds)	4
Retail Meeting	10
Opportunity Day and SET Digital Roadshow	8
Press Conference	2
Direct to RS Program Via Facebook Live	3
Total	64

In addition, the Company has prepared the annual registration statement (Form 56-1 One Report) and published through SETLink of the Stock Exchange of Thailand and the Company’s website including electronic QR Code format for the shareholders at the Annual General Meeting of Shareholders.

7.6.3) Audit Fee

The Company and its subsidiaries have paid the audit fee for the year 2021 as follows:

- The Company paid the audit fee to PricewaterhouseCoopers ABAS Co., Ltd., in a total amount of 6,252,500 baht.
- The audit firm to where the auditors are subordinate or individual(s) or business related to the auditors and the audit firm to where the auditors are subordinate in the past accounting year: -None-

Non-audit fee

The Company and its subsidiaries had paid the non-audit services fee to the auditor as per the following details:

No.	Company	Non-audit service	Audit Firm	Non-audit fee (Baht)	
				Amount (paid in 2021)	Amount (accrue for future)
1	RS Public Company Limited	Operations in accordance with agreed-upon procedures	Pricewaterhouse Coopers ABAS	-	150,000
2	RS Television Co., Ltd.			-	150,000
Total Non-audit fee				-	300,000





8)

REPORT OF KEY PERFORMANCE ON CORPORATE GOVERNANCE

8.1) SUMMARY OF PERFORMANCE OF THE BOARD OF DIRECTORS IN THE PAST YEAR

8.1.1) Selection, Development and Performance Evaluation of the Board of Directors

Criteria in Selection of Directors and Independent Directors

The Company established the Nomination and Remuneration Committee consisting of 3 independent directors from the total of 3 members of the Nomination and Remuneration Committee with the responsibilities to deliberate, screen and select persons with suitable qualifications according to the Articles of Association of the Company as well as nominating the persons for appointments of directors. The Nomination and Remunerations ensures that appointed directors or independent directors are qualified professionals with diverse backgrounds while structure, size and composition of the Board of Directors are considered.

Director Qualifications

- 1) A director must be a natural person who
 - reaches his/her majority.
 - Is not announced as a bankrupt, an incompetent person or a quasi-incompetent person.
 - Has never been sentenced to imprisonment in a case of corruption or fraud related to assets.
 - Has never been terminated or removed from government authorities or government agencies in case of malpractice.
 - Has not been fined for the offense related to fraud on assets.

2) A director must possess knowledge, skills and experience that are beneficial for operating business as well as being moral and honest with sufficient time dedicated to performing duties as a director.

3) A director must not engage in any action that is considered an involvement in management or administration of other businesses that may cause a conflict of interest with the Company or to provide benefits for any person or juristic person for the interest of oneself or others.

Selection and Nomination Criteria

Apart from the above qualifications, the Company will consider from a diversity of genders, ages, educational backgrounds, professions, expertise, knowledge and abilities including work experience required to manage the Company's business consistent with nature of business, strategies and goals of the Company. Moreover, current and future business challenges such as change in business model, mergers and acquisitions (M&A) and joint ventures (JV) will also be considered before identifying skills that are short of or required as well as the Board diversity. In addition, the Company provides opportunities for all shareholders to nominate qualified directors for selection and nomination of suitable professional candidates to become directors or independent directors at the Annual General Meeting of Shareholders.

Note that an individual to be nominated for a director and an independent director position of the Company must possess complete qualifications pursuant to Section

68 or the Securities and Exchange Act B.E.2535 (1992) (and amendments) and related notifications of the Securities and Exchange Commission and must not have prohibited characteristics according to the Securities Act (and amendments), other laws and related rules.

Furthermore, in selecting and nominating an independent director, the Nomination and Remuneration Committee will consider candidates with qualifications the Company defined which are stricter than criteria imposed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) per following.

Qualifications of Independent Directors

Definition of Independent Directors

Independent director means external directors who do not hold positions as permanent executives or employees of the Company nor executive directors or authorized directors and are independent from major shareholders, executives or related parties as well as being able to perform duties to protect interests of all shareholders equally and prevent transactions with conflicts of interests between the Company and related parties.

An independent director of the Company is a director with the following qualifications

1) Shall not hold shares exceeding 0.5% of the total number of voting shares of the Company, its subsidiaries, affiliates, major shareholders or controlling persons, including shares held by related persons of such independent director (pursuant to section 258 of the Securities and Exchange Act).

2) Not currently be or never been the company’s executive director, worker, employee, salaried consultant, or controlling persons unless it has been at least two years after the person has held the position.

3) Shall not be a person related by blood or legal registration as father, mother, spouse, sibling, or child, including spouse of child of other directors, of an executive, major shareholder, controlling person, or person to be nominated as director, executive or controlling person of the Company or its subsidiaries.

4) Not currently having or never had any relations with the Company, subsidiaries, affiliates, major shareholders, or controlling persons related to providing professional services or commercial business according to rules imposed by the Stock Exchange of Thailand on related party transactions except that it has been at least two years that relation is finished.

5) Not currently being or never been the auditor of the Company, subsidiaries, affiliates, major shareholders, or controlling persons. Also, the person should not currently be or never be a significant shareholder, unless it has been at least two years after the person has held the position.

6) Not currently be providing or never provided professional services, legal consulting, nor financial consulting services with a fee more than THB 2 million per year to the Company, subsidiaries, affiliates, major shareholders, or controlling persons. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers unless it has been at least two years after the person has held the position.

7) Not currently a director appointed to represent the Company’s directors, major shareholders, or the shareholders related to major shareholders.

8) Not currently be operating under similar business nature and significant competition to the Company or subsidiaries; nor a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding voting shares of any other companies operating under similar business nature and significant competition to the Company and subsidiaries.

9) Not under any condition that may impede the person from having independent views towards the Company’s operations.

10) Able to perform duties to protect interests of all shareholders equally and prevent transactions with conflicts of interests between the Company and related parties as well as being able to attend the Board of Director’s meetings to make decisions on important business activities of the Company.

Note that in 2021, the Board of Directors thoroughly considered and deemed that all independent directors possess complete qualifications as stipulated by the Company and the multiple terms of office did not affect them in performing duties or providing independent opinions. Moreover, during the past accounting period, independent directors had no business relationship with or offered professional services to the Company

Term of Office of Directors

1) At the Annual General Meeting of Shareholders each year, one-third of the total directors must retire from office. If it is not possible to divide the total number of directors evenly by three, the number closest to one-third must retire from office.

2) Other than retiring from completing the directorship term, a director is considered retired from the Board due to

- Death
- Resignation
- Lack of qualifications or with characteristics prohibited by laws or the Company’s rules.

· The shareholders’ meeting votes of no less than three fourths of the number of shareholders who are present in the meeting and eligible to vote and holding an aggregate number of shares of no less than half of total number of shares held by all shareholders who are present in the meeting and eligible to vote.

- Retirement order by the court

3) Directors who intend to resign from office shall submit a resignation letter to the Company. Resignation is effective on the date that the Company receives the resignation letter.

Term of Office of Independent Directors

The Company has set a policy on term of office of independent directors that independent directors can be re-appointed to another term of office but not more than 2 terms consecutively and the total terms must not be more than 9 years to ensure independence in providing opinions and performing duties as independent directors of the Company without exception.

Nevertheless, there was an independent director with over 9 years of directorship in the Board of Directors namely, Mr. Phisit Dachanabhirom as the Company deemed that this was necessary as this independent director has knowledge, abilities and experience that the Company needs with a vision that is aligned with the Company’s strategies on top of his honesty, expertise in accounting and financial statement audit and independent opinions according to related rules.

Selection and Nomination Process for Independent Directors

1) The Nomination and Remuneration Committee deliberates to select and nominate candidates with suitable qualifications for directors or independent directors stipulated by the Company as well as considering selection criteria to be consistent with objectives and strategies of the Company while the Board Skill Matrix was adopted to focus on required or missing skills in the Board of Directors. The process must be in compliance with the Company’s Articles of Association, the Charter of the Board of Directors and other related rules and regulations.

Note that the Nomination and Remuneration Committee will consider qualified candidates from the following channels.

· Provide opportunities for major shareholders, minor shareholders, directors and executives of the Company to nominate names of candidates to be considered and appointed for directorship.

· Consider the director pool of the Thai Institute of Directors or other agencies who prepare a similar kind of information.

· Use other channels that the Nomination and Remuneration Committee sees appropriate.

2) The Nomination and Remuneration Committee will propose names of qualified candidates to be directors of the Company to the Board of Directors for consideration and approval.

3) The Board of Directors will propose to the Annual General Meeting of Shareholders for approval of the appointment of director.

4) Except the case that the director position is vacant from any reason other than an expiration of term of office, the Board of Directors will appoint the qualified candidate without prohibited characteristics according to rules to be the director in the next meeting.

Selection and Nomination Process for the Highest-Ranked Executive (Chief Executive Officer)

The Board of Directors considered and assigned the Nomination and Remuneration Committee to be responsible for searching for and selecting candidates for the highest-ranked executive or Chief Executive Officer position by screening from suitable qualifications concerning gender, age, educational background, knowledge and abilities, skills and experience necessary for managing the Company’s business as well as having a thorough understanding of the Company’s business and being able to run the organization to achieve its objectives, strategies and goals. After the selection process is complete, the Nomination and Remuneration Committee will propose the name of qualified candidate to the Board of Directors’ meeting for approval and appointment of Chief Executive Officer.

8.1.2) Meeting Attendance and Remuneration of Individual Directors

Board of Directors’ Meetings

The Board of Directors is required to convene at least 4 times a year with additional special meetings as necessary. Agenda and meeting schedule are determined in advance with a regular agenda item to follow up with operating performance. Note that the Company sends the notice of the meeting with meeting agenda and other supporting documents for the meeting 7 days in advance so that the Board of Directors has sufficient time to review the information before attending the meeting except for the case of an urgent meeting. Chairman of the Board of Directors, Chief Executive Officer and one appointed independent director jointly consider matters to be included in the agenda of the Board of Directors’ meeting to ensure that all important matters are included in the agenda and each director feels free to propose an agenda item for the meeting. Moreover, the Board of Directors can access required information from the Chief Executive Officer. Note that independent directors and members of the Audit Committee are required to attend every meeting.

For 2021, the Company held a total of 7 Board of Directors’ meetings at the head office of the Company and / or through electronic means (given the serious COVID-19 situation that persisted) and all directors attended all the Board of Directors’ meeting.

In case that a director has significant interests in the matter to be considered, that director will be excused from the meeting during the consideration of that particular matter.

In addition, the minimum number of directors to constitute a quorum to vote for a resolution at the Board of Directors’ meeting is no less than two thirds of the total number of directors.

The Board of Directors has a policy to encourage non-executive directors to have meetings among themselves to promote independence in providing opinions which happened twice during the year on 30 June 2021 and 10 November 2021.

Name - Surname	Position	BoD Meeting	%	AGM	%
1)Mr. Surachai Chetchotisak	Chairman	7/7	100	1/1	100
2) Mrs. Pornpan Techarungchaikul	Director	7/7	100	1/1	100
3) Mr. Wittawat Wetchabutsakorn	Director	7/7	100	1/1	100
4) Mr. Danaisidh Peslapunt	Director	7/7	100	1/1	100
5) Mr. Sorat Vanichvarakij	Director	7/7	100	1/1	100
6) Mr. Phisit Dachanabhirom	Independent Director	7/7	100	1/1	100
7) Mrs. Wansuda Thanasaranart	Independent Director	7/7	100	1/1	100
8) Mr. Supakit Assavachai*	Independent Director	3/3	100	-	-

Note * Mr. Supakit Assavachai was appointed by the meeting of the Board of Directors No.4/2021 on 30 June 2021 to be Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee to replace Mr. Chakkrit Parapuntakul who resigned on 20 April 2021.

Directors’ Remuneration Policy

The Company has clearly and transparently established directors’ remuneration policies covering both short-term and long-term policy to offer compensation that is commensurate with knowledge, abilities, experience, duties, scope of roles and responsibilities, individual performance as well as expected benefits from each director in accordance with long-term strategies and goals of the Company including short-term and long-term corporate performance and compensation of directors in other companies in the same industry. Directors’ remuneration policy is approved by shareholders and the Nomination and Remuneration Committee will consider the remuneration to be competitive with the industry peers to be able to attract and retain qualified directors and consistent with the Company’s performance.

Criteria for Directors’ Remuneration

The Nomination and Remuneration Committee will deliberate the payment of directors’ remuneration and propose to the Board of Directors’ meeting for approval before presenting to the Annual General Meeting of Shareholders for approval by adhering to the following criteria.

- 1) Corporate operating performance and size of business by comparing with directors’ remuneration of other listed companies in the Stock Exchange of Thailand for the similar type, size and sector.
- 2) Knowledge, abilities, experience, duties and scopes of roles and responsibilities including individual performance of each director.
- 3) Expected benefits from each director
- 4) Reasonable rate that is sufficient to retain quality directors.

Remuneration Policy for the Highest-Ranked Executive (Chief Executive Officer)

Remuneration Policy of Chief Executive Officer will be deliberated on a yearly basis in accordance with principles and policies imposed by the Nomination and Remuneration Committee. Remuneration shall be attractive consistent with scope of work, responsibilities, duties and performance of the Chief Executive Officer including operating performance, profit growth in the past year and overall economic conditions in line with strategic objectives, key goals and long-term interests of the organization. Moreover, remuneration will be benchmarked against peers of the similar industry of the same level to be proposed to the Board of Directors for approval before the Management takes further actions.

Besides, the Nomination and Remuneration Committee has a duty to monitor performance of the Chief Executive Officer on a regular basis.

Criteria in Remuneration Payment for the Highest-Ranked Executive (Chief Executive Officer)

The Board of Directors assigned the Nomination and Remuneration Committee to evaluate performance of the highest-ranked executive or the Chief Executive Officer and determine criteria for performance evaluation of the Chief Executive Officer to be proposed to the Board of Directors for approval by adhering to the following criteria.

- 1) Corporate operating performance and size of business by comparing with directors’ remuneration of other listed companies in the Stock Exchange of Thailand for the similar type, size and sector.
- 2) Knowledge, abilities, experience, duties and scopes of roles and responsibilities including individual performance of each director.
- 3) Expected benefits from each director
- 4) Reasonable rate that is sufficient to retain quality directors.

Remuneration Payment to Individual Directors

At the 2021 Annual General Meeting of Shareholders on 19 April 2021, the shareholders’ meeting reached a resolution to approve remuneration of directors and members of the Audit Committee that comprises annual directors’ remuneration of no more than THB 1,000,000 by authorizing the Board of Directors to determine compensation for each director including monthly compensation and meeting allowance as summarized below

Type of Remuneration	Monthly Compensation (THB/Month)	Meeting Allowance (THB/Meeting)
Remuneration of the Board		
- Chairman	-	30,000
- Director	-	25,000
Remuneration of the Audit Committee		
- Chairman of the Audit Committee	50,000	30,000
- Member of the Audit Committee	45,000	25,000

Monetary Compensation

Directors' Remuneration			
Details	2021		
	Number of Directors	Amount (THB)	Compensation Details
Directors	8	2,305,000	Annual compensation and meeting allowance
Members of the Audit Committee	3	2,063,500	Monthly compensation and meeting allowance
	Total	4,368,500	

With details of individual directors per following:

List of Directors	Board of Directors		List of Directors		Total
	Annual Compensation (THB)	Meeting Allowance** (THB)	Monthly Compensation (THB)	Annual (THB)	
1) Mr. Surachai Chetchotisak	-	200,000	-	-	200,000
2) Mrs. Pornpan Techarungchaikul	-	165,000	-	-	165,000
3) Mr. Wittawat Wetchabutsakorn	-	165,000	-	-	165,000
4) Mr. Danaisidh Peslapunt	-	165,000	-	-	165,000
5) Mr. Sorat Vanichvarakij	-	165,000	-	-	165,000
6) Mr. Phisit Dachanabhirom	400,000	165,000	600,000	195,000	1,360,000
7) Mrs. Wansuda Thanasaranart	300,000	165,000	540,000	160,000	1,165,000
8) Mr. Supakit Assavachai *	-	75,000	270,000	75,000	420,000
9) Mr. Chakkrit Parapuntakul *	300,000	40,000	163,500	60,000	563,500
Total	1,000,000	1,305,000	1,573,500	490,000	4,368,500

Note: * Mr. Supakit Assavachai was appointed by the meeting of the Board of Directors No.4/2021 on 30 June 2021 to be Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee to replace Mr. Chakkrit Parapuntakul who resigned on 20 April 2021.

** Meeting allowance of directors and meeting allowance of the Audit Committee members were adjusted according to the resolution of 2021 Annual General Meeting of Shareholders on 19 April 2021 from meeting allowance of the Chairman of the Board of Directors / Chairman of the Audit Committee of THB 25,000 / meeting to THB 30,000 / meeting and meeting allowance of directors / members of the Audit Committee from THB 20,000 / meeting to THB 25,000 / meeting.

Note that directors' remuneration is benefits paid to the Company's directors according to section 90 of the Public Limited Companies Act B.E.2535 (1997) (excluding salary and related benefits paid to directors who also hold executive positions at the Company). There is no remuneration for directorship in subsidiaries.



2) Other Remuneration

Other remuneration of directors
-None-

Director and Executive Development

The Board of Directors has a policy for existing directors to be assigned to introduce the Company and share a summary of important information of the Company to new directors including the Company’s business plans, performance, strategies, competitive environment, vision, organization values, corporate governance policy, Code of Conduct, Anti-Corruption Policy including other important information related to its business operations.

In addition, a policy is set to enhance and develop new knowledge for directors and executive on a regular basis by encouraging them to participate in seminars and training with useful curricula organized by the Thai Institute of Directors (IOD) and other institutions to support them in performing their duties efficiently.

In 2021, the Company supported directors and executives in attending the following training courses:

List of Directors	Training Curriculum / Seminar Topic /Activity
Mr. Wittawat Wetchabutsakorn	•“Summary of Important Information and Useful Topics in TFRS for PAEs and Changes in 2021” course organized by the Thai Listed Company Association (TLCA) • TLCA CFO Professional Development Program (TLCA CFO CPD) No.4/2021 “How finance leaders are adapting within the new normal” organized by the Thai Listed Company Association (TLCA) • EDP 2021 - CEO Talk under the topic “Step Outside Your Comfort Zone” organized by the Thai Listed Company Association (TLCA) • EDP 2021 - CEO Talk 2 under the topic “How to Create a Growth Mindset as an Entrepreneur” organized by the Thai Listed Company Association (TLCA) • EDP 2021 - CEO Talk 3 under the topic “Building the Innovative Organization” organized by the Thai Listed Company Association (TLCA) • TLCA CFO Professional Development Program (TLCA CFO CPD) No.8/2021 under the topic “The modern CFO: Driving Digital Transformation of the Finance and Accounting” organized by the Thai Listed Company Association (TLCA) • TLCA CFO Professional Development Program (TLCA CFO CPD) No.9/2021 under the topic “ESG related Financial Innovation” organized by the Thai Listed Company Association (TLCA)

Board of Directors Evaluation

To comply with good corporate governance principles, the Company requires the Board of Directors to conduct self-assessment to be applied in monitoring the performance of the Board of Directors on a regular basis. The Company adopted the self-assessment forms for the Board of Directors, sub-committees and individual directors including the Chief Executive Officer according to guidelines of the Stock Exchange of Thailand.

The Company conducts the evaluation of the Board of Directors and sub-committees in the formats of self-assessment of individual directors and self-assessment of the Board as a whole on an annual basis. This is to consider and summarize performance to identify issues, obstacles as well as improvement guidelines while the Company set out evaluation guidelines by using assessment forms for both the Board as a whole and individual directors. Results from the evaluation will be applied to enhance duty performance as well as other related activities of the Board of Directors to be more effective in the future.

The Company prepares “Self-Assessment Form of the Board of Directors” every year to be used in evaluating performance of the Board of Directors as a whole. The form includes the following topics:

- Structure and qualifications of the Board
- Duties, roles and responsibilities of the Board
- Meeting of the Board
- Director Duty Performance
- Relationship with the Management
- Self-Development of Directors and Executive Development

For the process of Board performance evaluation for the Board as a whole, different ratings are assigned with standard descriptions so that the Board of Directors is able to compare results of the evaluation of each topic or compare results from different years easily. Descriptions of each rating are as follow.

- 0 = Strongly disagree or no action taken on the matter
- 1 = Disagree or limited actions taken on the matter
- 2 = Agree or sufficient actions taken on the matter
- 3 = Mostly agree or satisfactory actions taken on the matter
- 4 = Strongly agree or excellent actions taken on the matter

The ratings will then be averaged to calculate the score of the overall Board of Directors. Evaluation results are in the percentage of full score of each topic per following.

- More than 90% = Excellent
- More than 80% = Very Good
- More than 70% = Good
- More than 60% = Fair
- Less than 60% = Improvements Needed

Performance Evaluation of Sub-Committees

The sub-committees prepare “Self-Assessment Form for Sub-Committees” every year to evaluate the performance of sub-committees as assigned by the Board of Directors for each sub-committee as a whole namely, Audit Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainable Development Committee, Risk Management Committee and Executive Committee on a yearly basis. This is to apply results from the performance evaluation to support the Board of Directors’ duties and the Company’s business conduct covering all relevant dimensions. Note that each sub-committee will jointly determine self-assessment criteria to be suitable for their duties and responsibilities.

For the process of Board performance evaluation for sub-committees as a whole, different ratings are assigned with standard descriptions so that the sub-committees are able to compare results of the evaluation of each topic or compare results from different years easily. Descriptions of each rating are as follow.

- 0 = Strongly disagree or no action taken on the matter
- 1 = Disagree or limited actions taken on the matter
- 2 = Agree or sufficient actions taken on the matter
- 3 = Mostly agree or satisfactory actions taken on the matter
- 4 = Strongly agree or excellent actions taken on the matter

The ratings will then be averaged to calculate the score of the overall sub-committees. Evaluation results are in the percentage of full score of each topic per following.

- More than 90% = Excellent
- More than 80% = Very Good
- More than 70% = Good
- More than 60% = Fair
- Less than 60% = Improvements Need

Performance Evaluation for Individual Directors

The Company has clearly and transparently established directors’ remuneration policies covering both short-term and long-term policy to offer compensation that is commensurate with knowledge, abilities, experience, duties, scope of roles and responsibilities, individual performance as well as expected benefits from each director in accordance with long-term strategies and goals of the C

The Board of Directors requires performance evaluation for individual directors and all directors have prepared “Self-Assessment Form of the Board of Directors and Sub-Committees for Individual Directors” containing the following topics

- Structure and qualifications of directors
- Meeting of the Board of Directors
- Roles, duties and responsibilities

For the process of performance evaluation for individual directors, different ratings are assigned with standard descriptions so that all the directors are able to compare results of the evaluation of each topic or compare results from different years easily. Descriptions of each rating are as follow.

- 0 = Strongly disagree or no action taken on the matter
- 1 = Disagree or limited actions taken on the matter

- 2 = Agree or sufficient actions taken on the matter
- 3 = Mostly agree or satisfactory actions taken on the matter
- 4 = Strongly agree or excellent actions taken on the matter

The ratings will then be averaged to calculate the score of the overall sub-committees. Evaluation results are in the percentage of full score of each topic per following.

- More than 90% = Excellent
- More than 80% = Very Good
- More than 70% = Good
- More than 60% = Fair
- Less than 60% = Improvements Needed

Note that for the performance evaluation processes of the Board, sub-committees and individual directors, Corporate Secretary will be responsible for sending assessment forms to every director to evaluate their performance at the end of every year as well as gathering reports to summarize results to present to the meeting of the Board of Directors to acknowledge and discuss on a regular basis.

The results from the performance evaluation of the Board of Directors and subsidiaries as well as evaluation of individual directors in 2021 are shown below.

Performance Evaluation	Average Score	Rating
Self-assessment results of the Board of Directors as a whole	94.06	Excellent
Self-assessment results of each sub-committee as a whole*	95.63	Excellent
Self-assessment results of individual directors of the Board and sub-committees	96.88	Excellent

Remark: Sub-Committee consist of Audit Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainable Development Committee, Risk Management Committee and Executive Committee

Performance Evaluation of the Highest-Ranked Executive (Chief Executive Officer)

The Company delegated the Nomination and Remuneration Committee to regularly conduct performance evaluation for the highest-ranked executive or the Chief Executive Officer (CEO) to be the framework for the audit of performance of the CEO's duties on an annual basis. This is to consider and summarize performance as well as identifying issues, obstacles and improvement guidelines while the Company adapted from evaluation guidelines from the Stock Exchange of Thailand to its context. Results from the evaluation will be applied to enhance duty performance as well as other related activities of the CEO to be more effective in the future.

“Performance Evaluation Form for the Chief Executive Officer” consists of the following topics:

- Leadership
- Strategy formulation
- Strategy execution
- Financial planning and performance
- Relationship with the Board of Directors
- Relationship with external parties
- Management and employee relationship
- Succession
- Knowledge on products and services
- Personal traits of the CEO

Evaluation results are in the percentage of full score of each topic per following.

- More than 90% = Excellent
- More than 80% = Very Good
- More than 70% = Good
- More than 60% = Fair
- Less than 60% = Improvements Needed

Note that for the performance evaluation processes of the CEO, Company Secretary will be responsible for sending evaluation forms to the Nomination and Remuneration Committee which members are all independent directors to assess performance at the end of every year as well as gathering information to summarize results to present to the meeting of the Board of Directors for acknowledgement and approval.

The results from the performance evaluation of the CEO in 2021 are shown below.

Performance Evaluation	Average Score	Rating
Self-assessment results of the CEO	100	Excellent

Succession Plan for the Highest-Ranked Executive (Chief Executive Officer)

The Board of Directors ensures the succession planning for the highest-ranked executive or Chief Executive Officer to supervise the business operations to be uninterrupted. Moreover, the Board also put in place top executive development programs to prepare executives to succeed the CEO duties in the future in case that the CEO fails to perform. This is to mitigate risk of discontinuity in organization management. Succession planning follows the steps outlined below

- The Nomination and Remuneration Committee considers, nominates and selects high potential executives to be developed and prepared for the future.
- The Nomination and Remuneration Committee ensures the development of the group of executives with executive development programs to train executives to become future top executives.
- The Nomination and Remuneration Committee considers and selects qualified persons with knowledge, abilities and experience beneficial to the Company to be assigned to the position of the CEO and propose to the meeting of the Board of Directors for consideration and appointment.



Diversity in Board Structure

The Company realizes the importance of the determination of Board composition to be diverse in structure with a strong belief that diversity is key to create a balance in thinking process and decision making which is useful for conducting business. Therefore, the Company specified qualifications of directors to be in alignment with strategies in doing business of the Company as well as promoting diversity of individuals who will perform duties as directors of the Company by considering necessary skills in need in the Board including professions, expertise and gender. Moreover, the Board also uses the director pool which is a database of directors in finding and selecting new directors while Board Skill Matrix is also applied to further determine required qualifications of directors to ensure the process is accurate and appropriate.

In 2021, the Board of Directors was composed of 8 directors and the size was considered suitable for conducting business while there were 3 independent directors and 2 female directors. The Board was diverse in structure as all directors possess a variety of work experience necessary for managing the Company's business including specialized skills with experience related directly to the Company's businesses which are commerce business, media business and music and other businesses including investment decision making skills, mergers and acquisitions (M&A), and joint ventures (JV) as well as core skills required for general management such as accounting, finance, strategy, marketing, law, business administration, leadership and corporate governance, etc. Regarding educational background, the Board comprised directors with degrees in business administration, accounting and law which ensures that the current composition of the Board was made up of qualified individuals with experience and expertise in different fields comprehensively and properly covering multiple areas.

Independence of Independent Directors from the Management and Major Shareholders

The Board of Directors consisted of 4 non-executive directors (of which 3 were independent directors) and 4 executive directors. Biographies of each director are shown in the section Board of Directors.

Nevertheless, even that the Chairman of the Board of Directors is the same person as the Chief Executive Officer and a representative of major shareholders, the Board structure was composed of 3 independent directors out of 8 total directors which provided checks and balances and proper management audit. In addition, the Company

appointed an independent director, Mr. Phisit Dachanabhirom, to perform a duty in deliberating and determining agenda of every meeting of the Board of Directors to ensure checks and balances as well as discretion and judgement that are independent from the Management and major shareholders.

Policy on the Limit of Number of Companies to Hold Director and Chief Executive Officer Positions

The Company issued a policy to require the Company's directors to hold director positions in no more than 3 listed companies in the Stock Exchange of Thailand without an exception. For CEO position, the person may hold director position in other listed companies in the Stock Exchange of Thailand, but it should not be an obstacle for the CEO to perform duties or in the same business or businesses that are in competition with the Company's approval from the Board of Directors shall be obtained for this case.



Roles and Duties of the Board of Directors

Formulation, Review, and Monitoring of Strategy Execution

The Board of Directors takes part in setting vision, core purpose, motto, culture, core values, strategies, goals, business plans and budgets of the Company as well as supervising the Management to carry out execution according to the business plans under specified budgets efficiently and effectively in the same direction to attain its objectives. Moreover, the Board of Directors ensures that good corporate governance policy, internal control systems, internal audit, and risk management policy and administration are in place with proper and regular monitoring of performance in those areas during the meetings of the Board of Directors. Besides, the Board of Directors considers and defines clear and separated roles and responsibilities between the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Corporate Governance and Sustainability Committee, the Executive Committee and the Chief Executive Officer.

The meeting of the Board of Directors No.7/2021 on 17 December 2021 reviewed vision and core purpose and acknowledged the business direction to formulate the Company’s strategies for 2022 as well as deliberating on the monitoring of strategy execution and implementation of the Company.

Supervision of the Management

The meeting of the Board of Directors No.1/2022 on 25 February 2022 reviewed the adequacy assessment form for internal control systems and risk management results and evaluated the compliance with the Good Corporate Governance Policy.



8.1.3) Supervision of Subsidiaries and Associated Companies

Nomination and exercise of voting rights to appoint directors, executives or controlling persons in subsidiaries and associated companies must be approved by the Board of Directors in writing except for the case that that a company is small and acts as an operating arm of the Company. The Board of Directors assigned the Chief Executive Officer to appoint directors, executives or controlling persons in subsidiaries and associated companies while those appointed persons have duties to conduct business in the best interest of the particular subsidiaries or associated companies and in alignment with policies of the parent company. The Company requires that the appointed persons must get an approval from the Board of Directors before voting for a resolution or exercising voting rights in an important matter at the same level that must be approved by the Board for the case of the Company itself.

Moreover, in case of a subsidiary, the appointed person of the Company must ensure that the subsidiary put in place rules on related party transactions that are aligned with the Company as well as proper information storage, and accounting recording so that the Company is able to examine and collect to prepare its consolidated financial statements in due time. Also, adequate and prudent internal control systems must be in place while all transactions must comply with applicable law and regulations.

8.1.4) Monitoring of Compliance with Good Corporate Governance Policy and Practice

The Company places importance on good corporate governance by adhering to business conduct that is fair, honest and transparent with policies that promote corporate governance focusing on compliance with moral codes, ethics, environment, social and governance (ESG) responsibilities and transparency in consideration of all stakeholders. The objective is to enhance competitiveness to be able to generate return to shareholders in the long run and enable the Company to become a sustainable organization in the future. The Company formulated relevant policies and practices in “Good Corporate Governance Policy” and “Code of Conduct” manual of the group of companies as practical guidelines for all directors, executives and employees to promote compliance and build trust among all stakeholders.

The meeting of the Board of Directors No.6/2021 on 10 November 2021 reviewed, revised and approved “Good Corporate Governance Policy” to be consistent with good

corporate governance principles or the CG Code including the “Code of Conduct” of the group of companies to elevate and foster corporate governance on a continuous basis. The Company has an intention that all directors, executives and employees have a thorough understanding of the Good Corporate Governance Policy and the Code of Conduct as well as being aware of their duties and responsibilities and able to apply the guidelines in practice. At the same time, Whistleblowing Policy was also issued for employees to file complaints and expose information related to corruption and fraud. Lastly, monitoring processes are in place to supervise compliance with the Good Corporate Governance Policy and the Code of Conduct.

During 2021, the Company closely monitored the compliance with the Good Corporate Governance Policy and the Code of Conduct covering environmental conservation, use and management of assets and intellectual properties, and information and information system security. Results show that the Company undertook its business in accordance with guidelines for each area in complete. Furthermore, the Company and its subsidiaries had no legal dispute that may significantly impact business performance or may affect assets of the Company or its subsidiaries with more than 5% of shareholders' equity as of 31 December 2021. There was also no legal dispute resulted from businesses other than normal business operations of the Company and its subsidiaries.

Additionally, The Company tracked and monitored 4 following areas to ensure compliance with good corporate governance.

1) Prevention of Conflicts of Interest

The Company is committed to conducting business with transparency, fairness and accountability and thus established a policy on conflicts of interest under the principle that any decision making to enter into a transaction must be in the best interest of the Company and its shareholders while it must refrain from any action that may cause a conflict of interest. The policy requires related directors or executives with interests in a transaction under consideration must inform the Company of their relationships or their interests in the particular transaction while they must not be involved in the consideration or have no authority to approve the transaction covering related party transactions, connected transactions and any incident that may cause a conflict of interest. For 2021, the Company has revised the policy and guidelines to prevent conflicts of interest per following.

Conflict of Interest Policy

“The group of companies has an intention to undertake its business with honesty, transparency, fairness and accountability. Any decision to enter into any transaction must be to protect and maximize interests of the group of companies and its shareholders without seeking personal benefits for oneself or others as well as avoiding any action that may cause a conflict of interest with the group of companies”

Prevention of Conflicts of Interest Guidelines

1) Directors, executives and employees shall refrain from any action that may cause a conflict of interest with the group of companies and shall not engage in any activity that is against the interest of the group of companies or seeks personal benefits for oneself and related others.

2) Shall not use or allow other people to use their own positions, directly or indirectly, to seek benefits from the group of companies.

3) In case that directors, executives and employees or related parties are involved or hold shares in any business that may have interests or may cause a conflict of interest with the group of companies, they must report the Audit Committee in writing.

4) In case that directors, executives and employees or persons in their families join other companies or business organizations as directors, partners or consultants, it must not be against the interest of the group of companies or affect them in performing their duties directly for the group of companies.

5) In case of related party transactions under the notifications of the Stock Exchange of Thailand and the Securities and Exchange Commission, the Company must strictly comply with rules, approaches and information disclosure on related party transactions for listed companies.

In 2021, the Company investigated the following cases that may cause a conflict of interest:

· Case of a director or a top executive at the chief level was an employee or a partner of an external audit firm that provided services to the Company for the past 2 years.

Investigation result: -No case found-

· Case of a director or a top executive at the chief level entered into a transaction that potentially caused a conflict of interest.

Investigation result: -No case found-

2) Prevention of Misuse of Inside Information

The Company is committed to conducting business with transparency, fairness and accountability. In 2021, the Company reviewed and revised its policy and preventive guidelines of the use of inside information and communicated with directors, executives and employees per below.

Inside Information Policy

“The Company realizes the importance of the use of inside information of the organization and views that any use of important inside information must be carried out properly taking into consideration impacts on overall stakeholders and compliance with applicable laws. Inside information must not be used for personal interest of oneself or others and the policy and preventive guidelines on use of inside information must be communicated with directors, executives and employees for their acknowledgement and understanding”

Guidelines on Prevision of Misuse of Inside Information

1) Directors, executives and employees are prohibited from using important inside information for their personal benefits and disclosing confidential information of the organization to external parties especially competitors even after they are no longer employed by the group of companies. They must not use opportunities and information acquired from work in seeking personal benefits or engaging in businesses that compete with the group of companies.

2) Directors, executives and employees are prohibited from using inside information for personal benefits in purchasing or selling the Company's securities or providing information for other parties for the benefit of purchasing or selling the Company's securities.

3) Directors and top executives in the chief level have a duty to prepare and submit reports of securities holding of themselves, their spouses and minor children to the Securities and Exchange Commission according to section 59 and penal code of section 275 of the Securities and Exchange Act B.E.2535 (1992) through the Company Secretary within 30 days from the day of appointment as directors or top executives in the chief level as well as reporting changes in securities holding within 3 days from the day of purchasing, selling, transferring or accepting the transfer of securities to the Company Secretary before submitting to the Securities and Exchange Commission. This must also be reported to the Board of Directors' meeting every quarter.

4) A period that any trading of the Company's securities is not allowed (Blackout Period) was specified and applied to directors and top executives at the chief level or



higher including employees in departments that are involved with inside information containing key information in the financial statements (including spouses and minor children of the persons) and the information that can influence changes of the Company's securities prices. They must refrain from purchasing or selling the Company's securities during a period of 3 weeks before the disclosure of financial statements and 1 day after the financial statements are disclosed to the Stock Exchange of Thailand.

5) A period that a provision of information related to operating performance of the group of companies is not allowed (Silent Period) was specified and applied to directors and top executives at the chief level or higher including employees in departments that are involved in inside information containing key information in the financial statements and the information that can influence changes of the Company's securities prices. They must refrain from providing information related to operating performance of the Company to internal and external parties during a period of 1 month before the disclosure of financial statements to the Stock Exchange of Thailand.

6) Directors and top executives at the chief level or higher must notify the Board of Directors or the party that the Board assigned to be responsible for matters on securities trading at least one day before the trading of the securities.

For 2021, the Company investigated cases related to compliance with the policy on use of inside information per below.

· Case of directors and top executives at the chief level purchased or sold the securities during the blackout period.

Investigation result: -No case found-

Moreover, the Company adopted an electronic system to enhance efficiency and agility in the reporting of securities trading for directors and top executives.

· Case of directors, executives and employees in departments that are involved with inside information disclosed information related to operating performance of the group of companies during the silent period.

Investigation result: -No case found-

In addition, the Company sent notices to parties related to inside information to refrain from giving out any information on operating performance of the group of companies during the silent period on a quarterly basis.

3) Reporting of Interests of Directors and Top Executives

The Company adheres to transparency, fairness and accountability in conducting its business and has reviewed the policy on reporting of interests of directors and top executives and communicated with directors and top executives per following

Policy on Reporting of Interests of Directors and Top Executives

“The Company places importance on compliance with applicable laws on reporting of interests of directors and top executives so that the Company has information to conform to rules pertaining to related party transactions (if any) which are considered transactions that may cause conflicts of interests or transfer of interests of the group of companies. This is also useful for the Company to track and monitor interests of directors and top executives or related parties”

Persons Who Have Duties to Report Their Interests to the Company

The Securities and Exchange Act stipulated that directors and top executives must report their interests to the Company while top executives include individuals at managerial level of the next four executives succeeding the CEO for every person holding an equivalent position to the fourth executive, and shall include the persons holding an executive position in accounting or finance at a managerial level or equivalent according to the definitions of executive of the Capital Market Supervisory Board.

4) Anti-Corruption

The Company declared the intention to join the Private Sector Collective Action Coalition Against Corruption (CAC) on 5 May 2021 to show its commitment to preventing and combating all forms of corruption. The Company is in the process of preparation to apply to be certified as a member of CAC within 2022.

The meeting of the Board of Directors No.5/2021 on 16 August 2021 approved the Anti-Corruption Policy and practices of the group of companies with the intention to encourage directors, executives and employees under the group of companies to have knowledge and understanding on definitions of corruptions in different forms including an awareness of their duties and responsibilities as well as being able to apply anti-corruption practices with prudence. The Company put in place the Whistleblowing Policy and requires monitoring and review of the assessment of corruption risks including adequate and appropriate preventive measures. Anti-Corruption Policy and practices are reviewed on a regular basis and the Company's Anti-Corruption Policy and practices are established per following.

Anti-Corruption Policy

“All directors, executives and employees of the group of companies must not solicit, engage in or accept any form of corruption and fraud for the benefits of the group of companies, oneself, families, friends, acquaintances, directly or indirectly, covering all business lines under the group of companies and all related parties including all stakeholders. The Company conducts assessment of corruption risks and sets risk protection measures that are adequate and appropriate. Anti-corruption policy and measures are reviewed, audited and improved regularly and presented to the Board of Directors on a yearly basis to measure effectiveness and enhance measures to be consistent with risks that may change according to changes in business and rules, regulations and related laws.

The Company promotes dissemination and communication of the Anti-Corruption Policy of the group of companies to extend to subsidiaries, affiliates, other companies that the group of companies has controlling power, business partners as well as business representatives so that they adhere to and comply with the policy”

In 2021, the Company took the following actions to comply with the Anti-Corruption Policy.

· The Company established Anti-Corruption Working Group on 22 June 2021 which comprises senior executives of each department or business unit to be

responsible for formulating policies, manuals, practices and measures related to anti-corruption as well as assessing corruption risks and issuing risk protection and risk management measures on a regular basis. The working group also takes charge in providing communication through multiple channels and conducting knowledge training, knowledge reviews and knowledge assessment related to anti-corruption regularly for all directors, executives and employees to ensure full understanding and awareness.

· In August and September 2021, the Company conducted communication, dissemination, and public relations of policies related to anti-corruption for directors, executives and employees to be educated through different media channels internally via www.rs.co.th, RS Portal, e-mail and press releases. Additionally, the Company raised awareness on the subject through online training and self-learning on the policy by sending e-mails as well as requiring everyone to pass the training assessment with at least 80% score while 100% of employees passed the assessment during the past year.

· The Company published and disclosed the Anti-Corruption Policy to the public, external parties and stakeholders including suppliers, contractual parties and OEMs to promote transparency and accountability.

· The Company put in place the assessment of corruption risks for divisions and business units that are required to contact the government sector as well as issuing preventive measures on those corruption risks.

· The Company extended the scope of collaboration related to anti-corruption to subsidiaries, affiliates and joint ventures.

· The Company issued No Gift Policy during the 2022 New Year Festival through various online channels internally and externally to declare its intention to combat corruption of all forms.

· During the “International Anti-Corruption Day” on 9 December 2021, the Company organized “RS Group Anti-Corruption” activities with the objective to raise awareness among employees to realize the importance of conducting business with honesty and transparency which can lead to anti-corruption support and values.

Note that the Company published details of the policy and actions taken to prevent any involvement in corruption on the Company's website www.rs.co.th under the section Corporate Governance.

In 2021, there was no reported corruption case.

Monitoring and Evaluation of Compliance with Anti-Corruption Policy

1) Directors, executives or supervisors at all levels have a surveillance duty to ensure that subordinates refrain from violation or noncompliance of anti-corruption policy as well as communicating and educating related parties.

2) Internal Audit Department performs the duties according to the annual audit plan. In case of corruption risks



or actions with significant impacts related to corruption, the Internal Audit Department must report the information to the Audit Committee and the Board of Directors for further consideration.

Website : www.rs.co.th

Email to People & Culture Department :

pchotline@rs.co.th

Email to Internal Audit Department :

ia_anti_corruption@rs.co.th

Email to Company Secretary :

cs@rs.co.th

Whistleblower Protection Measures

1) The Company will protect whistleblowers and will not tolerate any threatening or harassment to whistleblowers including those who cooperate with or provide assistance in investigations with good intention.

2) In case that an employee is threatened or harassed, the person must report the Internal Audit Department so that the Internal Audit Department will issue proper protection measures depending on the severity and the materiality of the whistleblowing case.

3) Executives and employees are prohibited from terminating, suspending, taking disciplinary actions or threatening that certain actions will be taken against whistleblowers. The offender will receive disciplinary punishment.

4) Executives and employees are prohibited from demoting, punishing or inflicting any negative impact on employees who deny being engaged in corruption even though that action might cause the Company to lose business opportunities.



8.2)REPORT ON THE PERFORMANCE OF THE AUDIT COMMITTEE

Report of the Audit Committee

The Audit Committee of RS Public Company Limited consists of 3 independent directors and all members of the Audit Committee have complete qualifications according to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand with at least one third is individuals with knowledge and experience in accounting and finance.

The Audit Committee performed the duties according to scope of responsibilities assigned by the Board of Directors and requirements imposed by the Stock Exchange of Thailand. In 2021, the Audit Committee held a total of 7 meetings including meetings with external auditors without presence of executives or the Management to provide an opportunity for the external auditors to freely present information and issues found from the audit including other recommendations. Each member of the Audit Committee attended meetings with the following details:

Mr. Phisit Dachanabhirom	Chairman of the Audit Committee	Attended 7/7 meetings
Mrs. Wansuda Thanasaranart	Member of the Audit Committee	Attended 7/7 meetings
Mr. Supakit Assavachai	Member of the Audit Committee	Attended 3/7 meetings
Mr. Chakkrit Parapuntakul	Member of the Audit Committee	Attended 3/7 meetings

In addition, meetings with executives, auditors and internal auditors were conducted as appropriate which can be summarized as follows:

1. Reviewed the quarterly and annual financial statements of 2021 which were previously examined by auditors while the Audit Committee inquired executives and auditors to obtain clarifications on the accuracy and completeness of financial statements and the adequacy of information disclosure. The Audit Company has an opinion which is aligned with the auditor that the financial statements submitted to the Stock Exchange of Thailand are accurate, in all material respects, according to financial reporting standards with adequate and appropriate disclosure of information. The auditor has provided the opinion in the report of the auditor presented to the Board of Directors while the auditor performed the duties and expressed the opinion independently.
2. Conducted an audit on the adequacy of internal control systems by considering audit results from the Internal Audit Department for the adequacy evaluation of internal control systems according to guidelines suggested by the Securities and Exchange Commission. The opinions of the Audit Committee and the internal auditor are consistent that the Company has adequate internal control systems suitable for its nature of business without any material weakness or deficiency in the systems.
3. Reviewed the annual internal audit plan of the Internal Audit Department covering the Company and its subsidiaries and provided recommendations to enhance operating efficiency and effectiveness.
4. Audited the compliance with securities and exchange laws, requirements from the Stock Exchange of Thailand and laws relevant to the Company's business. The Audit Committee has an opinion that there was no material issue related to noncompliance with the mentioned laws and requirements.

5. Audited the adequacy and appropriateness of risk management systems of the Company by conducting meetings with executives of the Company and its subsidiaries to be informed of risk management conduct and performance in different areas as well as providing recommendations to the Management to ensure that the risk management systems are more efficient and suitable for business conditions.

6. Reviewed the compliance with the Anti-Corruption measure manual including internal control, preparation of financial statements and other processes related to anti-corruption measures that the Company issued as well as assessing corruption risks in the Company and reviewing the compliance with the Anti-Corruption Policy.

7. Deliberated related party transactions or transactions that may have conflicts of interest according to laws and requirements of the Stock Exchange of Thailand. The auditor provided an opinion that material related party transactions were disclosed and published in financial statements and notes to the financial statements and the Audit Committee agreed with the auditor. In addition, the Audit Committee deemed that those transactions are reasonable and beneficial to the Company.

8. Conducted meetings specifically with the auditor without the presence of the Management to ensure that the auditor is independent in performing the duties. On the basis of the auditor's qualifications, audit work quality, working team, expertise and independence, the Audit Committee presented to the Board of Directors to propose to the Annual General Meeting of Shareholders for the approval of the appointment of the auditor from PricewaterhouseCoopers ABAS Limited as the auditor of the Company for 2022 as the auditor has performed the audit duties satisfactorily.

9. The Audit Committee reported performance results and provided recommendations to the Board of Directors in every meeting of the Board of Directors.

The Audit Committee has performed the duties with prudence, transparency, accountability and independence by providing honest opinions in accordance with good corporate governance principles. The Audit Committee is confident that the information disclosure in the Company's financial statements is complete and credible in compliance with financial reporting standards while risk management and internal control systems are adequate, appropriate and effective. The internal audit is independent covering operating processes with potential risks and the audit processes are according to audit standards. Lastly, supervision and oversight are in place to ensure compliance with applicable laws, rules and regulations, in line with the current business operations.

On behalf of the Audit Committee

(Mr. Phisit Dachanabhirom)
Chairman of the Audit Committee

8.3) SUMMARY OF PERFORMANCE OF SUB-COMMITTEES

Report of the Nomination and Remuneration Committee

To Shareholders

The Nomination and Remuneration Committee of the Company consists of 3 qualified individuals who are all independent directors namely,

1. Mr. Phisit Dachanabhirom
Chairman of the Nomination of Remuneration Committee

2. Mrs. Wansuda Thanasaranart
Member of the Nomination of Remuneration Committee

3. Mr. Supakit Assavachai
Member of the Nomination of Remuneration Committee

The Nomination and Remuneration Committee is responsible for finding and selecting candidates with qualifications according to stipulated criteria and processes to assume positions of directors and the highest-ranked executive including selecting directors to be appointed in sub-committees. In addition, the Nomination and Remuneration Committee considers formats and criteria for directors' remuneration to propose to the Board of Directors and the meeting of shareholders, respectively. The Nomination and Remuneration Committee has performed duties as assigned by the Board of Directors with prudence, transparency, and fairness.

For 2021, the Nomination and Remuneration Committee held a total of 2 meetings and all 3 members of the Nomination and Remuneration Committee attended both meetings, equivalent to 100% attendance of all meetings. The following important matters were deliberated:

- Considered and selected suitable and qualified candidates to assume director roles to replace directors whose terms of office expired.
- Reviewed appropriateness of formats and criteria of remuneration payment and annual compensation of directors.
- Considered performance evaluation criteria for the CEO.
- Evaluated performance of the Nomination and Remuneration Committee for 2021.
- Considered and approved appointments of Independent Directors, Members of the Audit Committee and Members of the Nomination and Remuneration Committee.
- Reported performance results to the Board of Directors on a regular basis.

The Nomination and Remuneration Committee has an opinion that the listed duties above were performed properly in the best interests of the Company, shareholders, and stakeholders in the long run.

(Mr. Phisit Dachanabhirom)
Chairman of the Nomination and Remuneration Committee

Report of the Risk Management Committee

To Shareholders

The Risk Management Committee of the Company is composed of 3 directors with knowledge, abilities, experience, and business understanding as follows:

1. Mrs. Pornpan Techarungchaikul
Chairman of the Risk Management Committee

2. Mr. Wittawat Wetchabutsakorn
Member of the Risk Management Committee

3. Mr. Danaisidh Peslapunt
Member of the Risk Management Committee

To support the Board of Directors in supervising and managing organization risks to meet business objectives and build confidence and trust among shareholders, investors, and stakeholders in undertaking the Company's business, the Risk Management Committee has performed its duties with full capacity by determining and reviewing organization's risk management framework and risk management policy and processes according to roles and responsibilities specified in the Charter of the Risk Management Committee as well as recommending risk management guidelines suitable for running business efficiently, consistent with strategic directions and business plans of the Company.

For 2021, the Risk Management Committee held a total of 2 meetings and all 3 members of the Risk Management Committee attended both meetings, equivalent to 100% attendance of all meetings. The following important matters were deliberated:

- Considered and approved risk management policy.
- Reviewed risk management structure of the group of companies
- Considered and appointed Risk Management Working Group of the group of companies.
- Reviewed risk assessment and risk prevention measures for 2021.
- Evaluated performance of the Risk Management Committee for 2021.
- Reported performance results to the Board of Directors on a regular basis.

The Risk Management Committee has an opinion that for the past 2021 the Company has set risk management policy framework and risk management structure for the group of companies covering risk factors in all areas with continuous risk management. The Company has also put in place effective and proper risk management to control key organization risks to be acceptable according to the Company's risk appetite.

(Mrs. Pornpan Techarungchaikul)
Chairman of the Risk Management Committee

Report of the Corporate Governance and Sustainable Development Committee

To Shareholders

The Corporate Governance and Sustainable Development Committee of the Company is composed of 3 directors with knowledge, abilities, experience, and business understanding as follows:

1. Mr. Wittawat Wetchabutsakorn
Chairman of the Corporate Governance and Sustainable Development Committee
2. Ms. Kunchanya Karuhadej
Member of the Corporate Governance and Sustainable Development Committee
3. Mr. Parin Fuangvut
Member of the Corporate Governance and Sustainable Development Committee

For 2021, the Corporate Governance and Sustainable Development Committee held a total of 4 meetings and all 3 members of the Corporate Governance and Sustainable Development Committee attended all 4 meetings, equivalent to 100% attendance of all meetings. The following important matters were deliberated:

- Appointed Sustainability Working Gorup.
- Reviewed and amended Good Corporate Governance Policy.
- Reviewed and amended Code of Conduct.
- Approved Code of Conduct for Suppliers for sustainability and self-assessment form for supplier sustainability.
- Approve targets and Environmental, Social and Governance (ESG) Policy.
- Approve targets and Service Quality Management Policy, Respect for Human Rights and Fair Labour.
- Approved Sustainability Performance in a part of ESG for disclosure in One Report.

The Corporate Governance and Sustainable Development Committee has an opinion that for the past 2021 duties were performed with prudence and full knowledge and abilities in accordance with sustainability practices including the Good Corporate Governance Policy and Code of Conduct of the group of companies, righteously and transparently, in the best interests of shareholders and stakeholders in the long run.

(Mr. Wittawat Wetchabutsakorn)
Chairman of the Corporate Governance and Sustainable Development Committee





9)

INTERNAL CONTROL AND RELATED PARTY TRANSACTIONS

9.1) INTERNAL CONTROL

The Board of Directors of the Company and its subsidiaries attaches great significance to internal control as it is an essential mechanism to build confidence of the Management to mitigate risks from business operations. Therefore, the Company has clearly defined risk management policy and assigned the Risk Management Committee to be responsible for supervising and monitoring risk management systems of the Company. Moreover, the Audit Committee consisting of independent directors was also appointed to oversee the Company's internal control systems to be appropriate and efficient to ensure that the Company complies with applicable rules and laws including conflicts of interest, related party transactions, and maintenance and use of assets to prevent corruption or misconducts. This is undertaken through the Internal Audit Department who is independent from the Management and reports directly to the Audit Committee. To ensure that risk management and internal control are complete and effective, the Company adopted the frameworks and international standards on internal control and risk management from COSO (The Committee of Sponsoring Organizations of the Treadway Commission).

Opinions of the Board of Directors on Internal Control

At the Board of Directors' Meeting No.1/2022 on 25 February 2022, the Audit Committee attended and provided an opinion on the evaluation of the adequacy and appropriateness of the Company's internal control systems. In 2021, the Company and its subsidiaries applied the internal control framework of the Stock Exchange of Thailand which Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring Activities per following details.

9.1.1) Adequacy of Appropriateness of the Company's Internal Control System

The Board of Directors deemed that the Company's internal control systems are adequate and appropriate with sufficient manpower to operate the systems efficiently and effective supervision is in place to protect assets of the Company and its subsidiaries from misuse by unauthorized directors or executives including transactions made with persons that may have conflicts of interest.

With regard to the auditor's opinion, the auditor viewed that the Company and its subsidiaries prepared the financial statements according to the accounting standards and disclosed information in compliance with applicable laws. The Companies and subsidiaries also conducted the assessment on internal control in complete according to the internal control framework and criteria based on the guidelines from the Stock Exchange of Thailand important details can be summarized as follow

1) Control Environment

The Company and its subsidiary clearly defined business and performance targets that are measurable and reviewed against actual performance on a regular basis. Organization structure was in place with clear separation of duties and proper approval authorities and responsibilities to achieve objectives under the supervision of the Board of Directors. The Company also has set out ethics, Code of Conduct, Corporate Governance Policy, Anti-Corruption Policy and Conflict of Interest Policy to express its adherence to honesty and ethics. Moreover, authority table manual and operating manuals for key systems are available in writing with regular updates to conform to new standards to be adopted as practical guidelines considering scopes of responsibilities and internal control systems. On the employee ground, the Company set policies and processes

related to recruitment, talent development and employee annual performance evaluation using Objective Key Results (OKR) framework to measure performance success at both organization level and individual employee level as well as encouraging all employees to have awareness and strict compliance by providing regular training for employees. This is to ensure that they can perform their duties with transparency and fairness towards all stakeholders while monitoring processes and punishment are clearly stipulated with the objective to enforce employees' compliance with the corporate governance policy imposed by the Company and its subsidiaries.

The Board of Directors consists of qualified persons with knowledge and expertise beneficial to business while roles and responsibilities of each committee and the Management are clearly defined. The Company also closely supervises its executives and employees to ensure that they perform their duties as assigned while the organization structure and reporting lines are in place with proper checks and balances and internal control to be used in assessing operational efficiency and monitoring performance against the organization's targets on a regular basis.

2) Risk Assessment

The Company and its subsidiaries clearly defined objectives that are sufficient for identifying and assessing various risks related to the Company achieving its objectives. The Audit Committee and the Risk Management Committee worked with the Management of the Company and its subsidiaries to supervise risk management of the organization to attain its goals and to maintain risks within acceptable levels. Risk Management Policy was also established for everyone in the Company to comply with. The Company assessed external and internal risks that may impact the business operations by identifying and analyzing all types of risks organization-wide covering strategic risk, operational risk, financial risk, compliance risk and other risks at both organization level and department level including corruption risks that may affect success in achieving objectives. Risks are also prioritized based on impacts and probabilities that the risks may be incurred for each business process in order to formulate risk management plans as well as finding proper risk mitigation measures. Also, the Company reviews changing external and internal risk factors that may impact the organization every year.

3) Control Activities

The Company and its subsidiaries issued key policies in operating business as guidelines for its business conduct to be systematic and efficient, enabling the Company to achieve its objectives and goals and minimize risks to be

within acceptable levels. Control activities were selected and developed by adopting technology to support the operations towards organization objectives while they were conducted according to the policy that includes expectations and instructions to implement the policy. Furthermore, approval authority was prepared to clearly specify scopes of authorities and approval limits of the Management for each level in writing. The approval authority and operating manuals were also reviewed to be consistent with organization structure and current operations. Besides, Internal

Audit Department was assigned to examine performance in different areas on a regular basis to ensure that internal control systems for the business operations are adequate, appropriate and efficient. Information systems were also adopted to accommodate operations to be faster and more efficient.

4) Information & Communication

The Company and subsidiaries places importance on information systems and information communication and ensures that adequate information systems are in place with continuous development. The Company acquires and collects quality information from inside and outside the organization in an accurate and timely manner to support internal control to be undertaken as planned. Reporting is required for each unit to propose important information to executives for their decision-making while efficient and modern information technology is adopted to help prepare reports with comparative analyses based on principles and rationale as well as supporting documents. For accounting and financial reports, supporting documents are filed in complete to promote transparency and to be used as inputs for operations. Moreover, the Company also ensures information security in every part of the organization. The Audit Committee convened with auditors, Internal Audit Department and other parties involved in the preparation of financial statements of the Company on a quarterly basis to deliberate and ensure the compliance with financial reporting standards and suitability for the Company's nature of business. In addition, information disclosure was properly conducted while additional meetings were organized as seen appropriate.

Regarding information communication, proper communication channels were in place to convey messages related to duties and responsibilities including other important matters to employees as well as proving safe channels for whistleblowing and complaint related to corruption. Additionally, internal units of the Company and external parties communicate consistently on issues that

may impact its internal control while policies on IT security and use of information were established with provided communication channels for information users inside and outside the organization to be able to access to information with convenience and speed.

Note that the Company and its subsidiaries assigned Company Secretary to be responsible for preparing information and meeting documents in advance before the meeting as well as summarizing opinions and resolutions of the meetings for all minutes of the Board of Directors' Meetings.

5) Monitoring Activities

The Company and its subsidiaries track and monitor performance against targets and put in place systems to follow up work progress in different levels from the Board of Directors and executives to track results against targets and supervise operations to be in accordance with strategic plans, work plans and project plans in the annual business plan while solving problems that may arise and adjusting operating plans to be consistent with changing situations. Actual operating results were compared against estimates and in case of significant differences, each business unit analyzed to find the root causes to come up with improvement guidelines to enhance efficiency. Responsible persons presented reports to review the performance and provide analyses on the causes as well as deliberating on the issues to approve corrective action plans and clear timelines for performance monitoring. At the same time, related party transactions or transactions with conflicts of interest were disclosed with transparency and accountability.

9.1.2) Internal Control Systems of the Company and Subsidiaries, it was concluded that no significant deficiencies were found

The Board of Directors ensures that internal control assessment and monitoring systems are in place that cover all areas including accounting and finance, operations, compliance with laws / rules, asset maintenance and corruption for those with significant impacts to be able to take corrective actions in due time. Also, the Board of Directors requires that compliance with internal control systems is regularly audited to ensure proper and complete internal control. Furthermore, deficiencies in internal control are assessed and communicated promptly to responsible persons including top executives and the Board as appropriate while responsible people in each unit takes charge in monitoring compliance with internal control systems.

9.1.3) Opinion of the Audit Committee

The Audit Committee monitored and reviewed internal control systems through Internal Audit Department and the internal auditor has audited, monitored and evaluated operating performance according to professional standards of internal audit to ensure that findings of the audit were considered to find proper and timely corrective actions. The Audit Committee has an opinion aligned with the Board of Directors that the Company's internal control systems are adequate and appropriate.

9.1.4) Opinion of the Audit Committee on Internal Audit

The Audit Committee supervises Internal Audit Department to be responsible for building trust and giving advice freely and fairly in auditing and evaluating the adequacy of internal control systems including monitoring of improvements to ensure that work processes are proper covering all processes of the Company and its subsidiaries. This shall be reported to the Audit Committee to ensure that the Company is operating under adequate, appropriate and efficient internal control systems and good corporate governance as well as managing risks to be within acceptable levels. The Company appointed Mr. Prot Jiamsuwan, Director of Internal Audit, to be the key person to perform the duties as the Company's internal auditor. The Company considered his qualifications and deemed that Mr. Prot is qualified to perform the internal audit duties given his independence and experience in internal audit for related businesses while he also attended internal audit training courses as appeared in Attachment 3.

9.1.5) Practices for the Appointment and Transfer of the Head of Internal Audit

Appointment and transfer of a person who holds a position as the Head of Internal Audit of the Company must be approved by the Audit Committee while Internal Audit Department must perform the duties in compliance with professional standards for internal audit. Self-assessment according to professional standards must be conducted as well as satisfaction survey of stakeholders to assess the quality of internal audit work of the internal auditor to continuously develop and improve internal audit operations to attain higher efficiency and effectiveness. This will enable the internal auditor to be informed of his/her status and actual

performance so that he/she can properly analyze issues, obstacles and limitations in performance the duties. This is in accordance with internal auditor development to ensure that the internal auditor has required skills, knowledge and abilities that meet international standards to perform the duties properly while professional knowledge training on internal audit is encouraged.



9.2) RELATED PARTY TRANSACTIONS

The details and information of related party transactions of the Company, subsidiary companies and related companies are listed in the note of the financial statements as of 31 December 2021. The Company's Audit Committee had examined the related party transactions of the Company, there are opinions about the transaction in accordance with the general commercial conditions and rules as regulations of the Stock Exchange of Thailand with complete evidence of all transactions as well as adequate disclosure of the financial statements. In addition, the Company disclosed the details of the past 3 years related party transactions on the Company's website.

9.2.1) Related Party Transactions with Person who may Encounter Conflicts

In 2021, the Company and its subsidiaries underwent related party transactions with individuals who may possess a conflict of interest from 1 January 2021 as follows:

Person who may Encounter Conflicts	Relationship
Mr. Surachai Chetchotisak	He is a director and major shareholder who holds 23.65 percent of the Company's shares.
Chetchotisak Company Limited	Mr. Surachai Chetchotisak is a director and shareholder who holds 18.70 percent of the shares of Chetchotisak Co., Ltd.
	Mrs. Sujeera Chetchotisak is a shareholder who holds 6.30 percent of the shares of Chetchotisak Co., Ltd. and she is the wife of Mr. Surachai Chetchotisak, a director and major shareholder.
	Mr. Suwat Chetchotisak is a director and shareholder who holds 14.35 percent of the shares of Chetchotisak Co., Ltd. and he is Mr. Surachai Chetchotisak's younger brother.
	Ms. Malee Chetchotisak is a director and shareholder who holds 14.50 percent of the shares of Chetchotisak Co., Ltd. and she is the older sister of Mr. Surachai Chetchotisak.
Membership Company Limited	Mr. Surachai Chetchotisak is a director and shareholder who holds 50.00 percent of the shares of Membership Co., Ltd. This percent-age includes shareholding by his wife on Chetchot Co., Ltd. which is the major shareholder holding 60 percent shares of Membership Co., Ltd.
	Mrs. Sujeera Chetchotisak is a director of Membership Co., Ltd. and she is the wife of Mr. Surachai Chetchotisak.
	Mr. Chet Chetchotisak is a director and shareholder who holds 30.00 percent of the shares of Membership Co., Ltd. and holds 0.062 percent of the Company's shares and he is a son of Mr. Surachai Chetchotisak.
	Mr. Chot Chetchotisak is a director and shareholder who holds 10.00 percent of the shares of Membership Co., Ltd. and he is a son of Mr. Surachai Chetchotisak.
Chetchot Company Limited	Mr. Surachai Chetchotisak is a director and shareholder who holds 25.00 percent of the shares of Chetchot Co., Ltd.
	Mrs. Sujeera Chetchotisak is a director and shareholder who holds 25.00 percent of the shares of Chetchot Co., Ltd. and she is the wife of Mr. Surachai Chetchotisak.
	Mr. Chet Chetchotisak is a director and shareholder who holds 25.00 percent of the shares of Chetchot Co., Ltd. and holds 0.062 percent of the Company's shares and he is a son of Mr. Surachai Chetchotisak.
	Mr. Chot Chetchotisak is a director and shareholder who holds 25.00 percent of the shares of Chetchot Co., Ltd. and he is a son of Mr. Surachai Chetchotisak.

Remark: The shareholding proportion of persons who may encounter conflicts was dated on 31 December 2021.

The Company had related party transactions with persons with a possibility of conflict of interest in 2021

Person who may Encounter Conflicts	Relationship	Nature of Transaction	Amount (million baht)	Necessity and Reasonableness of Transactions
Chetchot Company Limited	Common Directors and shareholders	Office rental, common service fee, and public utilities expense, agreement for 3 years	183.46	The Audit Committee has opinion that the price of the rental and service fee are reasonable based on the market price, calculated by three independent appraisers for asset that has been approved by the Securities and Exchange Commission

Remark: The related party transactions have been approved and disclosed in accordance with the Notification of the Capital Market Supervisory Board.

Purchase of Fixed Assets
-None-

Guarantees
-None-

9.2.2) The Necessity and Rationale of the Related Party Transactions

All related party transactions are done under the necessity and rationale of the transactions to optimize the Company's benefit. Throughout 2021, the related party transactions between the Company and the subsidiary companies, as well as the Company and related parties, the core transaction of which are land rental, office rental and guarantee, were under normal course of business, no special condition and no transfer of interest. Pricing, fee rate and/or interest rate was able to compare with other entities' transactions and has been disclosed in the notes to financial statements of 2021.

The Audit Committee has reviewed the related party transactions between the Company, subsidiaries and individuals who may possess a conflict of interest, including land rental, office rental, sales and purchase of goods or assets, copyright, production service, organizing concerts and marketing activities, sales of advertising, services, loan interest, and etc..

Disclosed in the notes to financial statements of 2021. The Committee has the comments that the mentioned transactions occurred under normal course of business, necessity and rationale of the connected transactions to optimize the Company's benefit.

9.2.3) Measures or Steps of Approval in Related Party Transactions

The Company has set a policy for the approval of related party transactions. The related party transactions has rooted in necessity, rationale and optimum of the firm benefit and conditions are indifferent to the transaction with external parties. In case of the significant related party transactions, conducted in accordance with the rule governing listed securities, all approval must be consented by the Audit Committee, the Board of Directors and Shareholders' Meeting excluding votes of the related persons. In case where any directors or shareholders have a stake in a particular transaction, the said member shall not be present at the meeting and shall therefore have no voting right in that agenda.

9.2.4) Policy and Future Potential of Related Party Transactions, including Acquisition and Disposal of Assets

The Company has set a policy of connected transactions, related transactions, and Acquisition and Disposal of Assets in accordance with the ethical framework and good practice. The approval process of the transactions shall comply with the general commercial conditions and fair pricing as well as the rules on disclosure of information of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2003.

9.2.5) Trends for Future Related Party Transactions

The Company shall maintain the policy or the future potential of related party transactions with related parties such as office rental. However, the Company shall not do related party transactions with individuals who may possess a conflict of interest, except for the case that will optimize the Company's benefit.



Section

3

Financial Report



Independent Auditor’s Report

To the shareholders of RS Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of RS Public Company Limited (“the Company”) and its subsidiaries (“the Group”) and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

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

Key audit matters	Audit procedure
<p>Amortised production costs for the television drama series</p> <p>Refer to Note No.4.11 a) on 'Television drama series production costs' and No.20 on 'Net intangible assets'.</p> <p>As at 31 December 2021, the Group had a production cost balance of Baht 737.41 million for a television drama series and movies that are an intangible assets. This represents 12.73% of total assets in the consolidated financial statements. The production costs were carried over at cost with a deduction for accumulated amortisation. It was amortised based on the expected pattern of consumption of the future economic benefit embodied in the asset.</p> <p>Management divided the production costs into two components. The first component was amortised based on the number of episodes forecasted to be on-aired according to the channel's on-air schedule. The remaining component was amortised using the straight-line method based on the expected ageing of the drama series and the drama rights that will be sold after television broadcasting.</p> <p>I focussed on the amortisation method for the production costs using the number of episodes forecasted to be on-aired, and the straight-line method based on the expected ageing of the drama series and the drama rights that will be sold after television broadcasting, as this was done using management's judgement.</p>	<p>I gained an understanding of, and tested the amortisation method used by performing these procedures:</p> <ul style="list-style-type: none">• Assessed the appropriateness of management's judgement on dividing the drama production costs. The drama production costs are divided based on revenue-generating uses of episodes from each drama, and uses that generate revenue from the sale of drama rights.• Assessed the appropriateness of management's forecasts for the number of episodes to be aired for each drama series by comparing them to the channel's on-air schedule.• Evaluated the accuracy of the channel's on-air schedule that was used in the amortisation calculation by comparing with the actual number of aired episodes for each drama series.• Assessed the appropriateness of management's estimate aging of drama series for usage that make the revenue generated from the sale of drama rights.• Tested the arithmetical accuracy of the calculation for the amortised production costs. <p>I determined that the assumptions and information management used to estimate the amortisation costs for the television drama series were reasonable based on the available evidence obtained from the procedures that were performed.</p>

Key audit matters	Audit procedure
<p>Valuation of inventories</p> <p>Refer to Note No.8 e) Inventory provision and No.12 'Inventories (net)' of the consolidated and separate financial statements</p> <p>As at 31 December 2021, the Group has inventories (net) balance Baht 336.63 million, after net the allowance for obsolete and slow-moving inventories was Baht 35.04 million. Inventories, (net), represent 5.81 of total assets in the consolidated financial statements.</p> <p>Management prioritised the allowance assessment for obsolete and slow-moving. Management estimated the allowance amount for obsolete and slow-moving inventories by using a percentage of each product's life expectancy - this was estimated based on management's experience and historical data on the movement of goods, including products' past deterioration and shelf life.</p> <p>I focussed on the allowance assessment for obsolete and slow-moving inventories because inventories have a material impact on total assets and were based on management's judgement and experience. The appropriateness of the inventory balance is based on the reliability of information used to assess the allowance for obsolete and slow-moving inventories, which is subject to management's judgement.</p>	<p>I gained an understanding of, and tested the estimate of allowance for obsolete and slow-moving inventories by performing these procedures:</p> <ul style="list-style-type: none"> Evaluated management's assumptions that were used to estimate the allowance for obsolete and slow-moving inventories and determined that the accounting policies were consistent with those applied in previous years. Assessed and challenged the reasonableness of management's assumptions when estimating the allowance for obsolete and slow-moving inventories by considering historical data, the ageing of inventory and the inventory turnover ratio analysis. Tested the reliability of the inventory ageing report by tracing the last movement date of inventories using supporting documents. Tested the mathematical accuracy of the allowance for obsolete and slow-moving inventories based on management's assumptions, and compared the results with management's estimation. <p>I determined that the assumptions and information management used to estimate the allowance for obsolete and slow-moving inventories were reasonable based on the available evidence obtained from the work performed.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Purchase Price Allocation for the business acquisition.</p> <p>Refer to Note No. 15 investments in associates and joint ventures and Note No. 37 business acquisition, to the consolidated financial statements.</p> <p>On 1 March 2021, the Group acquired ordinary shares of Chase Asia Company Limited and its subsidiaries totaling of 35% which is classified as investment in associates. On 30 April 2021, the Group acquired ordinary shares of Fourth Apple Company Limited totaling of 70% which is classified as investments in subsidiary.</p> <p>The Group completed Purchase Price Allocation ("PPA") of Chase Asia Company Limited and subsidiary in determining the fair value of net identifiable assets acquired at the date of acquisition. The Group's management determined that the fair value of the net identifiable assets is Baht 830.84 Million. The business combination mainly comprised with cash and cash equivalent Baht 18.20 Million, investments in loans Baht 583.18 Million, loans to customers Baht 247.52 Million, property, plant, and equipment - net Baht 313.80 Million, deferred tax assets Baht 119.02 Million and long term loan from financial institutions Baht 273.31 Million, the asset transfer comprised of cash amounting of Baht 920.00 Million, the difference between net identifiable assets and asset transfer created goodwill total Baht 629.21 Million.</p> <p>The Group used independent valuation expert in determining the fair value of net identifiable assets acquired and completed Purchase Price Allocation ("PPA") of Fourth Company Limited at the date of acquisition. The Group's management determined that the fair value of the net identifiable assets in the proportion of 70% equal to Million 1.77 mainly comprised with cash and cash equivalent Million 8 Baht, trade and other accounts receivable Million 3.82 Baht, trade and other accounts payable Million 7.62 Baht and long term loan from financial institutions Million 2.40 Baht, the asset transfer comprised of cash amounting of Million 13 baht, the difference between net identifiable assets and asset transfer created goodwill amounting of Million 13 Baht.</p> <p>I focused on the business combination in the area of PPA and the determination of fair value of net acquired assets using discounted cash flow method that involves significant management judgment. The valuation methodology as well as the inputs and assumptions in the model. The key assumptions used in the valuation impacted the fair value. The key assumptions are operating results in the future and discount rates.</p>	<p>I performed the following to assess the to management's key assumptions used in assessing the fair value of net identifiable assets acquired to be reasonable based on available evidence.</p> <ul style="list-style-type: none"> Evaluating business acquisitions made by management to determine whether such transactions are considered business partnerships under TFRS 3 Business Combinations. In addition, I consulted my accounting specialist in considering the transaction. Read the Share Purchase Agreement of Chase Asia Company Limited and its subsidiaries and Fourth Apple Company Limited, including the minutes of the Board of Directors' meeting, and the general meeting of shareholders related to the approval of the Company to enter into a business acquisition transaction in order to understand the transaction with the management. Assessing control over the conditions identified in Thai Financial Reporting Standard No. 10, Consolidated Financial Statements. Assess the adequacy of identifying identifiable assets purchased and liabilities acquired at the acquisition date, including the process for determining the fair value of assets indicated by management. Identify and assess identifiable net assets acquired by the group in a business combination. and we evaluate the appropriateness of the measurement assumptions, such as the likelihood of future performance for the Company, the discount rate, and we challenge management on a test basis about the assumptions used in the calculations based on historical data in combination with external sources. Tested the calculation of the goodwill arising from the business combinations being the difference between the total purchase consideration and the fair value of the net identifiable assets acquired. Evaluate the adequacy of the disclosures in the notes to the financial statements. <p>I determined that management's key assumptions used in assessing the fair value of net identifiable assets acquired to be reasonable based on available evidence.</p>

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

Sa-nga Chokenitisawat

Certified Public Accountant (Thailand) No. 11251
Bangkok
28 February 2022

RS Public Company Limited
Statement of Financial Position
As at 31 December 2021

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	141,246,307	200,100,593	16,858,368	42,996,478
Trade and others accounts receivable (net)	10	553,301,561	711,408,947	558,255,683	548,961,895
Short-term loans to related companies (net)	38 d)	-	-	1,007,700,000	1,034,700,000
Inventories (net)	12	336,634,019	228,725,881	972,024	115,780
Value added tax (net)	26	52,578,115	24,610,076	-	-
Other current assets	13	7,350,697	8,684,428	617,548	677,049
Total current assets		1,091,110,699	1,173,529,925	1,584,403,623	1,627,451,202
Non-current assets					
Contract assets - non-current	10.1	29,908,941	10,000,000	29,908,941	10,000,000
Investments in subsidiaries (net)	14	-	-	1,500,626,572	532,485,044
Investments in an associated and joint venture company (net)	15	1,063,390,151	3,992,546	25,989,461	-
Equipment (net)	16	566,614,299	641,880,556	432,813,146	487,484,726
Right of use assets (net)	17	411,007,815	471,486,947	205,625,635	237,829,068
Goodwill	18	11,233,358	-	-	-
License for operation right in spectrum of digital television (net)	19	526,692,573	598,720,594	-	-
Intangible assets (net)	20	1,803,845,464	1,314,037,630	90,808,161	110,316,228
Withholding tax deducted at source (net)	21	38,817,745	156,404,476	4,733,664	25,522,031
Deferred tax assets (net)	22	239,452,209	123,568,442	85,520,303	85,872,673
Other non-current assets (net)		21,137,991	22,868,498	7,366,889	9,796,516
Total non-current assets		4,712,100,546	3,342,959,689	2,383,392,772	1,499,306,286
Total assets		5,803,211,245	4,516,489,614	3,967,796,395	3,126,757,488

Director _____ Director _____

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Financial Position
As at 31 December 2021

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other accounts payable	23	882,455,041	1,016,085,502	91,557,453	114,177,323
Retention payable		12,583,938	23,429,564	3,291,488	10,702,736
Current portion of lease liability agreement (net)	24	91,785,628	83,311,020	45,533,353	42,197,064
Short-term loans from financial institutions	25	995,000,000	540,000,000	490,000,000	350,000,000
Short-term loans from related companies	38 e)	-	-	24,327,125	255,327,125
Current portion of long-term loans from financial institutions	27	120,000,000	80,000,000	-	-
Value added tax (net)	26	60,198,411	36,883,597	36,328,717	33,307,694
Accrued income tax		15,182,178	21,563,289	-	13,009,535
Withholding tax payable		19,691,284	11,545,413	3,045,639	2,800,596
Other current liabilities		1,137,921	977,571	1,137,919	977,571
Total current liabilities		2,198,034,401	1,813,795,956	695,221,694	822,499,644
Non-current liabilities					
Lease liability agreement (net)	24	302,491,838	366,745,952	152,239,735	185,698,983
Long-term loans from financial institutions (net)	27	952,203,819	156,085,000	916,118,819	-
Deferred tax liabilities (net)	22	47,807,034	9,897	-	-
Employee benefit obligations	28	159,154,118	170,653,648	84,117,983	100,858,435
Provision for decommissioning costs		5,291,697	5,088,170	2,388,752	2,296,877
Other non-current liabilities		62,363	42,363	40,000	20,000
Total non-current liabilities		1,467,010,869	698,625,030	1,154,905,289	288,874,295
Total liabilities		3,665,045,270	2,512,420,986	1,850,126,983	1,111,373,939

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Financial Position
As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital	29.1				
Authorised share capital					
1,163,996,212 ordinary shares of par Baht 1 each		1,163,996,212		1,163,996,212	
Authorised share capital					
1,161,997,216 ordinary shares of par Baht 1 each			1,161,997,216		1,161,997,216
Issued and fully paid-up share capital					
972,496,946 ordinary shares of par Baht 1 each		972,496,946	972,496,946	972,496,946	972,496,946
Premium on share capital	29.1	322,107,225	322,107,225	322,107,225	322,107,225
Treasury shares	29.4	(160,158,220)	(160,158,220)	(160,158,220)	(160,158,220)
Retained earnings					
Appropriated - legal reserve	31	120,327,052	120,327,052	120,327,052	120,327,052
Appropriated - treasury share reserve	29.4	160,158,220	160,158,220	160,158,220	160,158,220
Unappropriated		722,721,127	587,007,031	702,738,189	600,452,326
Equity attributable to owners of the parent		2,137,652,350	2,001,938,254	2,117,669,412	2,015,383,549
Non-controlling interests		513,625	2,130,374	-	-
Total equity		2,138,165,975	2,004,068,628	2,117,669,412	2,015,383,549
Total liabilities and equity		5,803,211,245	4,516,489,614	3,967,796,395	3,126,757,488

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
	Notes	Baht	Baht	Baht	Baht
Revenue					
Revenue from sales		2,263,915,067	2,381,378,687	-	-
Revenue from services		1,308,918,323	1,392,785,020	702,619,072	844,008,448
Total revenue and services income		3,572,833,390	3,774,163,707	702,619,072	844,008,448
Cost of sales		(867,996,578)	(801,666,768)	-	-
Cost of services		(936,172,954)	(966,995,535)	(545,377,479)	(542,137,541)
Total cost of sales and services		(1,804,169,532)	(1,768,662,303)	(545,377,479)	(542,137,541)
Gross profit		1,768,663,858	2,005,501,404	157,241,593	301,870,907
Other income	32	16,754,745	16,903,778	84,724,945	44,985,735
Profit before expenses		1,785,418,603	2,022,405,182	241,966,538	346,856,642
Selling expenses		(834,513,659)	(585,774,737)	(2,036,181)	(6,305,844)
Administrative expenses		(841,997,053)	(730,845,510)	(86,426,014)	(90,326,166)
Reversal of allowance for impairment on investments in subsidiaries (net)		-	-	-	40,892
Other expenses		(1,804,123)	(4,126,899)	(873,705)	(1,849,596)
Finance costs	34	(59,056,473)	(36,111,312)	(39,938,703)	(18,699,597)
Profit (loss) sharing from investment in associates and joint ventures	15	82,904,555	-	(12,699)	-
Profit before income tax		130,951,850	665,546,724	112,679,236	229,716,331
Income tax	35	(5,968,038)	(137,269,081)	(13,653,085)	(42,496,624)
Profit for the year		124,983,812	528,277,643	99,026,151	187,219,707
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of post employment benefit obligations	28	10,453,654	5,914,159	4,074,640	6,349,270
Income tax on items that will not be reclassified		(2,090,731)	(1,182,832)	(814,928)	(1,269,854)
Other comprehensive income for the year, net of tax		8,362,923	4,731,327	3,259,712	5,079,416
Total comprehensive income for the year		133,346,735	533,008,970	102,285,863	192,299,123

The accompanying notes are an integral part of these consolidated and separate financial statements

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
	Owners of the parent	127,351,173	528,278,160	99,026,151	187,219,707
	Non - controlling interests	(2,367,361)	(517)	-	-
		124,983,812	528,277,643	99,026,151	187,219,707
Total comprehensive income attributable to:					
	Owners of the parent	135,714,096	533,009,487	102,285,863	192,299,123
	Non - controlling interests	(2,367,361)	(517)	-	-
		133,346,735	533,008,970	102,285,863	192,299,123
Earning per share attributable to the equity holders of the parent					
	Basic earning per share	0.1330	0.5505	0.1034	0.1951
	Diluted earning per share	0.1330	0.5505	0.1034	0.1951

RS Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2021

	Consolidated financial statements (Baht)								
	For the year ended 31 December 2021								
	Attributable to owners of the parent								
	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total owners of the parent	Non- controlling interests	Total
				Legal reserve	Treasury shares reserve	Unappropriated			
Opening balance as at 1 January 2021	972,496,946	322,107,225	(160,158,220)	120,327,052	160,158,220	587,007,031	2,001,938,254	2,130,374	2,004,068,628
Changes in equity for the year									
Non-controlling interests from business combination								757,132	757,132
Dividends payment	-	-	-	-	-	-	-	(6,520)	(6,520)
Total comprehensive income for the year	-	-	-	-	-	127,351,173	127,351,173	(2,367,361)	124,983,812
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax	-	-	-	-	-	8,362,923	8,362,923	-	8,362,923
Closing balance as at 31 December 2021	972,496,946	322,107,225	(160,158,220)	120,327,052	160,158,220	722,721,127	2,137,652,350	513,625	2,138,165,975

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2021

Consolidated financial statements (Baht)									
For the year ended 31 December 2020									
Attributable to owners of the parent									
Notes	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total owners of the parent	Non- controlling interests	Total
				Appropriated		Unappropriated			
				Legal reserve	Treasury shares reserve				
Opening balance as at 1 January 2020	972,495,202	322,087,270	-	120,327,052	-	309,980,034	1,724,889,558	2,132,900	1,727,022,458
Changes in equity for the year									
Increase in share capital	29.1	1,744	19,955	-	-	-	21,699	-	21,699
Purchase Treasury shares	29.4	-	-	(160,158,220)	-	-	(160,158,220)	-	(160,158,220)
Treasury shares reserve	29.4	-	-	-	160,158,220	(160,158,220)	-	-	-
Dividends payment	30	-	-	-	-	(95,824,270)	(95,824,270)	(2,009)	(95,826,279)
Total comprehensive income for the year		-	-	-	-	528,278,160	528,278,160	(517)	528,277,643
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax		-	-	-	-	4,731,327	4,731,327	-	4,731,327
Closing balance as at 31 December 2020	972,496,946	322,107,225	(160,158,220)	120,327,052	160,158,220	587,007,031	2,001,938,254	2,130,374	2,004,068,628

The accompanying notes on pages 19 to 76 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2021

Separate financial statements (Baht)							
For the year ended 31 December 2021							
	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			
				Appropriated		Unappropriated	
				Legal reserve	Treasury shares reserve		
						Total	
Opening balance as at 1 January 2021	972,496,946	322,107,225	(160,158,220)	120,327,052	160,158,220	600,452,326	2,015,383,549
Changes in equity for the period							
Total comprehensive income for the year	-	-	-	-	-	99,026,151	99,026,151
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax	-	-	-	-	-	3,259,712	3,259,712
Closing balance as at 31 December 2021	972,496,946	322,107,225	(160,158,220)	120,327,052	160,158,220	702,738,189	2,117,669,412

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2021

Separate financial statements (Baht)							
For the year ended 31 December 2020							
Notes	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total
				Appropriated		Unappropriated	
				Legal reserve	Treasury shares reserve		
Opening balance as at 1 January 2020	972,495,202	322,087,270	-	120,327,052	-	664,135,693	2,079,045,217
Changes in equity for the period							
Increase in share capital	29.1	1,744	19,955	-	-	-	21,699
Purchase Treasury shares	29.4	-	-	(160,158,220)	-	-	(160,158,220)
Treasury shares reserve	29.4	-	-	-	160,158,220	(160,158,220)	-
Dividend paid	30	-	-	-	-	(95,824,270)	(95,824,270)
Total comprehensive income for the year		-	-	-	-	187,219,707	187,219,707
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax		-	-	-	-	5,079,416	5,079,416
Closing balance as at 31 December 2020	972,496,946	322,107,225	(160,158,220)	120,327,052	160,158,220	600,452,326	2,015,383,549

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		130,951,850	665,546,724	112,679,236	229,716,331
Adjustments:					
Depreciation and amortisation	33	572,912,709	534,112,273	152,296,950	133,369,736
(Reversal of) allowance for doubtful accounts		(6,740)	(272,140)	431,816	33,730
Allowance for obsolete inventories	12	26,740,447	2,127,781	-	-
Write-off TV Program work-in-process		-	183,234	-	-
(Reversal of) allowance for impairments - investments in subsidiaries	14	-	-	(141,528)	(40,892)
and intangible assets		400,000	2,473,832	-	1,339,622
(Gain) loss on disposal of equipment and intangible assets		5,019	(845,520)	(30,963)	(893,449)
(Gain) on lease amendment		(153,643)	-	(5,895)	
Employee benefit obligations	28	(955,876)	12,808,703	4,474,039	6,665,211
Provision for decommissioning costs		203,527	179,968	91,875	81,240
Dividend income	32	-	-	(57,993,480)	(16,747,990)
Interest income	32	(247,299)	(486,454)	(19,187,538)	(20,955,242)
Loss sharing from investment in joint ventures		-	-	12,699	-
(Profit) loss sharing from investment in associates		(82,904,555)	-	-	-
Finance costs - interest expense	34	59,056,473	36,111,312	39,938,703	18,699,597
Cash flows before change in working capital		706,001,912	1,251,939,713	232,565,914	351,267,894
Changes in working capital					
Trade and other accounts receivable		142,027,031	(175,945,027)	(29,726,738)	30,028,137
Inventories		(134,648,585)	27,758,522	(856,244)	4,031,372
Value added tax		(5,104,887)	(14,112,684)	3,021,023	338,880
Other current assets		1,333,731	(4,090,584)	59,501	1,140,795
Other non-current assets		1,730,507	(9,772,901)	2,429,627	1,478,383
Trade and other accounts payable		44,281,520	23,216,832	(33,665,356)	(111,260,186)
Withholding tax payable		7,578,475	(549,835)	245,043	(1,030,575)
Other current liabilities		160,350	12,984,039	(7,250,900)	11,680,307
Payment for retirement for employee	28	(90,000)	(205,600)	-	-
Other non-current liabilities		20,000	5,000	20,000	(6,393,098)
Cash generated from operating activities before income tax paid		763,290,054	1,111,227,475	166,841,870	281,281,909
Withholding tax refunded		117,714,501	35,180,508	25,517,698	34,170,433
Income tax paid		(81,586,501)	(96,280,399)	(31,854,509)	(50,575,316)
Net cash generated from operating activities		799,418,054	1,050,127,584	160,505,059	264,877,026

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2021

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
Interest income received		247,347	486,508	19,279,731	22,024,860
Payments for short-term loans to related companies	38 d)	-	-	(680,000,000)	(471,000,000)
Proceeds from short-term loans to related companies	38 d)	-	-	707,000,000	443,000,000
Cash received from dividend income		-	-	57,993,480	16,747,990
Payment to purchases of equipment		(69,420,974)	(242,549,432)	(34,372,183)	(180,823,613)
Purchases of intangible assets		(949,779,767)	(561,035,614)	(3,745,081)	(25,622,012)
Proceeds from disposals of equipment and intangible asset		96,729	6,095,701	61,711	7,100,316
Payments for increase in share capital of a subsidiary		-	-	(955,000,000)	-
Payments for investment in subsidiary - net of cash		(5,002,806)	-	(13,000,000)	-
Payments for investment in associates		(950,400,890)	-	-	-
Payments for investment in joint ventures		(26,002,160)	-	(26,002,160)	-
Net cash used in investing activities		(2,000,262,521)	(797,002,837)	(927,784,502)	(188,572,459)
Cash flows from financing activities					
Interest expense paid		(40,598,342)	(19,433,420)	(29,982,038)	(9,698,349)
Payments on lease liability agreements		(105,407,002)	(116,037,027)	(53,276,629)	(60,234,349)
Proceeds from short-term loans from financial institutions	25	6,711,000,000	4,310,000,000	3,376,000,000	2,930,000,000
Payments on short-term loans from financial institutions	25	(6,256,000,000)	(4,220,000,000)	(3,236,000,000)	(2,900,000,000)
Proceeds from long-term loans from financial institutions	27	920,000,000	-	920,000,000	-
Payments for advance-fee for long-term loans	27	(4,600,000)	-	(4,600,000)	-
Payments from long-term loans from financial institutions	27	(82,397,955)	(80,000,000)	-	-
Proceeds from short-term loans from related companies	38 e)	-	-	229,700,000	182,000,000
Payments on short-term loans from related companies	38 e)	-	-	(460,700,000)	(23,700,000)
Dividend paid	30	-	(95,824,270)	-	(95,824,270)
Purchase of treasury shares	29.4	-	(160,158,220)	-	(160,158,220)
Dividend paid to non-controlling		(6,520)	(2,009)	-	-
Proceeds from capital increase		-	21,699	-	21,699
Net cash generated from (used in) financing activities		1,141,990,181	(381,433,247)	741,141,333	(137,593,489)
Net (decrease) in cash and cash equivalents					
Cash and cash equivalents, opening balance		200,100,593	328,409,093	42,996,478	104,285,400
Cash and cash equivalents, closing balance		141,246,307	200,100,593	16,858,368	42,996,478

The accompanying notes are an integral part of these consolidated and separate financial statements

RS Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Baht	Baht	Baht	Baht
Non-cash transactions:				
Outstanding payables as at 31 December arising from purchases of equipment during the year	20,357,675	51,739,198	9,708,579	17,401,442
Outstanding payables as at 31 December arising from purchases of intangible assets during the year	217,542,364	384,862,263	-	-
Adjusting item from adoption of new financial reporting TFRS 16	-	8,666,299	-	-
Transfer fixed assets and intangible assets to right-of-use assets from adoption of new financial reporting TFRS 16	-	20,551,798	-	20,551,798
Employee benefit transfered between group	-	-	17,139,851	-

1 General information

RS Public Company Limited (the "Company") is incorporated as a limited company registered in Thailand on 17 April 1992 and on 15 January 2003, the Company converted to be a public company limited and listed on the Stock Exchange of Thailand on 22 May 2003. The address of the Company's registered office is as follows:

No. 27 RS Group Bldg., Tower A, Prasert-Manukitch Road, Sena Nikhom, Chatuchak, Bangkok, Thailand

For reporting purposes, the Company and its subsidiaries are referred to as 'the Group'.

The principal business operations of the Group are Multi-platform Commerce, media, music license distribution and showbiz.

These consolidated and separate financial statements have been approved by the board of directors on 25 February 2022.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act

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

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

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

3 New and amended financial reporting standards

3.1 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 which relate but not significant impacts to the Group

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

e) Amendment to TFRS 16, Leases amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce the lease payments due by 30 June 2022.

The Group applies amended financial reporting standards since 1 January 2021 which there is no significant impacts to the group.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 which related and have significant impacts to the Group

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group.

a) Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The management of the Group is in process of assessing the impacts from the adoption of amended financial reporting standards.

4 Accounting policies

4.1 Principles of consolidation accounting

a) Subsidiaries

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

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

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using equity method.

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

d) Equity method

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

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

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

e) Changes in ownership interests

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

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

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

e) Intercompany transactions on consolidation

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

4.2 Business Combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

4.3 Foreign currency translation

a) Functional and presentation currency

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

b) Transactions and balances

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

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

4.4 Cash and cash equivalents

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

4.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 7 days to 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.7 (e)

4.6 Inventories

a) Finished goods and packaging

Finished goods and packaging are presented in the statement of financial position at the lower of cost or net realisable value. Cost is determined on the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import less all attributable discounts the cost of finished goods. Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expense. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

b) Work in process

TV shows, music products, and concert as well as other contracted activities show the accumulated production costs for productions that are unfinished, as well as for those that are completed and ready for broadcasting. The cost of programmes, including various expenses directly associated with production, which are recognised as costs in the statement of comprehensive income when programmes are broadcasted, music products have been sold and concerts and other contracted activities have taken place.

4.7 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in profit or loss together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 when measuring debt instrument financial assets at level 2 fair values. The Group gave less weight to the information related to COVID-19 in fair valuing the debt instrument financial assets

e) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, accrued income and contract assets, which applies lifetime expected credit loss, from initial recognition, for all trade receivables, accrued income and contract assets.

To measure the expected credit losses, trade receivables, accrued income and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The management has therefore concluded that the expected loss rates for trade receivables, accrued income and contract assets are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 1 January 2020 and the corresponding historical credit losses experienced within this period. The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. The Group applied historical credit loss adjusted with the management's judgement in estimating the expected credit loss as disclosed in Note 10.2

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing expected risk of default as of the reporting date against estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

4.8 Plant and equipment

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

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building Improvements	8 years 7 months
Equipment	5-10 years
Furniture, fixtures and office equipment	5-10 years
Vehicles	5 years

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

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

4.9 License for operation right in spectrum of digital television

The digital television licence consists of expenditure that are directly attributable to the acquisition of the commercial digital terrestrial television license at national level for a general channel category, is measured at cash price equivalent instalments discounted to present value using a discount rate, quoted by bank, for this particular purpose less accumulated amortisation and impairment losses (if any). The difference between the cash price equivalent and the total payments to be made is recognised as a financial cost over the license fee payment periods, amortised from the date that it is ready to provide service. Amortisation of digital television license is based on a straight-line basic over the estimated useful lives of 15 years.

4.10 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

4.11 Intangible assets

a) Production cost of television drama services and showbiz

The production cost of television drama services and showbiz are carried at cost less accumulated amortisation and impairment losses (if any) which the production costs into two components. The first component was amortised based on the number of episodes forecasted to be on-air according to the channel's on-air schedule. The remaining component was amortised using the straight-line method based on the expected ageing of the drama series and the drama rights that will be sold after television broadcasting.

b) Copyright of others

Copyright of others are carried at cost less accumulated amortisation and impairment losses (if any). The Group amortised copyright base on straight line method over the term of relevant agreements.

c) Copyright of musical master tape

Copyright of musical master tape are carried at cost less accumulated amortisation and impairment losses (if any). The Group amortised copyright base on straight line method according to the estimated useful life over 20 years.

d) Trademark

Trademark are carried at cost less accumulated amortisation and impairment losses (if any). The Group amortised copyright base on straight line method over 10 years.

e) Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group is recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use or sell it;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs recognised as intangible assets are amortised using the straight-line method over their estimated useful lives, which does not exceed 10 years.

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

4.12 Impairment of assets

Assets that have an indefinite useful life, for example music master license, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.13 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise copy machine.

4.14 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.15 Current and deferred income taxes

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

Current tax

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

Deferred income tax

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

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

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

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

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

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

4.16 Employee benefit obligations

The Group companies operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans.

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

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

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated every 3 years by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of high-quality government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Actuarial gains and losses arising from revaluation of experience adjustments are charged or credited to equity in other comprehensive income in the period in which they arise.

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

4.17 Provisions

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

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

4.18 Share capital

Ordinary shares discretionary dividends are classified as equity. Other shares including mandatory redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury share

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

4.19 Revenue recognition

Revenue includes all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities are also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into individual distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

a) Revenue from sales of goods

Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

b) Revenue from rendering of services

- a) Revenue from sales of advertising and promotion being the revenue from the sales of advertising media, i.e., the media of TV and radio is recognised when service has been provided.
- b) Revenue from event is recognised upon performance completed.
- c) Revenue from production activity are recognised based on the proportion of completed service.
- d) Revenue from concert is recognised when the concert has been exhibited.
- e) Revenue from artist management is recognised when the service has been provided.
- f) Revenue from digital downloads are recognised once it has been downloaded.
- g) Management income is recognised when service has been provided.

c) Revenue from copyright

- a) Revenue from music copyright is recognised once the copyright has been delivered to customer.
- b) Revenue from film copyright is recognised when the customer received the right.

d) Revenue from interest income

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

e) Dividend income

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

4.20 Finance costs

Finance costs comprise interest expense and fee from short-term borrowings from a financial institutions and related companies and interest expense from lease liabilities and liabilities under finance lease contracts.

4.21 Dividends

Dividends and interim dividends are recorded in the consolidated and company's financial statements in the period in which they are approved by the shareholders and board of directors, respectively.

4.22 Segment reporting

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

5 Financial risk management

5.1 Financial risk factors

The Group exposes to a variety of financial risk: market risk (including exchange risk and foreign interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as market risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for all Treasury team activities of the Group.

5.1.1 Market risks

a) Foreign exchange risk

The principal finance risk faced by the Group are exchange rate risk as certain transactions are purchase and sale in foreign currencies. Foreign exchange forward contracts are taken out to protect the currency risk in future purchase.

However, as at 31 December 2021 and 2020, there are no outstanding foreign exchange forward contract.

b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, loans to related parties, short-term borrowings, long-term borrowings from financial institutions. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different. However, the Group will use interest rate swap to management the risk when necessary.

Under the interest rate swaps, the Group agrees with the other parties to exchange, at specified interval, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement.

The Group does not apply hedge accounting.

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2021 and 2020 are disclosed in Note 11.

5.1.2) Credit risk

Credit risk is managed on a group basis. For banks and financial institutions, only independently are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on these assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

The Group's investments in debt instruments are considered to be low risk investments.

5.1.3) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 141,246,606 (2020: Baht 200,100,593) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors a) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and b) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans. The details of the availability of credit facilities and the maturity date of the financial liabilities are disclosed as below.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Floating rate				
Expiring within one year				
- Bank overdraft	100	100	40	40
- Bank loans	1,060	915	425	405
	1,160	1,015	465	445

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

	Consolidated financial statements					Book value (Asset)/ Liabilities
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Thousand Baht
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2021						
short-term loans from financial institutions	-	996,962	-	-	996,962	995,000
Trade payables and other payable	418,947	194,180	-	-	613,127	613,127
Accrued expense	90,785	107,982	-	-	198,767	198,767
Lease liabilities	-	103,890	319,096	-	422,986	394,277
Long-term loans from financial institutions	-	145,678	1,004,686	38,487	1,188,851	1,072,203
Retention payable	-	12,584	-	-	12,584	12,584
Total	509,732	1,561,276	1,323,782	38,487	3,433,277	3,285,958
	Consolidated financial statements					Book value (Asset)/ Liabilities
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Thousand Baht
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2020						
short-term loans from financial institutions	-	540,673	-	-	540,673	540,000
Trade payables and other payable	448,256	312,784	-	-	761,040	761,040
Accrued expense	44,475	171,543	-	-	216,018	216,018
Lease liabilities	-	99,486	385,262	11,615	496,363	450,057
Long-term loans from financial institutions	-	86,064	160,019	-	246,083	236,085
Retention payable	-	23,430	-	-	23,430	23,430
Total	492,731	1,233,980	545,281	11,615	2,283,607	2,226,630

	Separate financial statements					Book value (Asset)/ Liabilities
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Thousand Baht
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2021						
Bank overdrafts and short-term loans from financial institutions	-	490,939	-	-	490,939	490,000
Trade payables	3,678	35,458	-	-	39,136	39,136
Accrued expense	886	37,998	-	-	38,884	38,884
Lease liabilities	-	51,448	160,452	-	211,900	197,773
Long-term loans from financial institutions	-	22,724	968,469	38,487	1,029,680	916,119
Retention payable	-	3,291	-	-	3,291	3,291
Short-term loans from related parties	-	24,816	-	-	24,816	24,327
Total	4,564	666,674	1,128,921	38,487	1,838,646	1,709,530
	Separate financial statements					Book value (Asset)/ Liabilities
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Thousand Baht
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2020						
Bank overdrafts and short-term loans from financial institutions	-	350,507	-	-	350,507	350,000
Trade payables	36,336	19,106	-	-	55,442	55,442
Accrued expense	12,137	32,793	-	-	44,930	44,930
Lease liabilities	-	50,411	193,909	7,261	251,580	227,896
Retention payable	-	10,703	-	-	10,703	10,703
Short-term loans from related parties	-	260,408	-	-	260,408	255,327
Total	48,473	723,928	193,909	7,261	973,570	944,298

6 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

7 Fair value

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 : The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.
- Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 : The fair value of financial instruments is not based on observable market data.

Financial assets and financial liabilities are presented at fair value in 11 to the financial statements.

8 Critical accounting estimates, assumptions and judgements

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

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

(a) Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefits include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 28.

(b) Goodwill impairment

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in note 18. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

(c) License operation right in spectrum of digital television and intangible assets

The initial recognised and measure of license operation right in spectrum of digital television 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.

(d) Intangible assets - amortisation of television drama series production cost

Management considers the consistency of the judgments used to divide the television drama series production cost with the revenue generated from the number of episodes for each drama broadcast. And income generated from the sale of drama rights including projections about the number of episodes projected for each drama broadcast compared to the broadcast plans.

(e) Inventory provision

Management prioritised the allowance assessment for obsolete and slow-moving Management estimated the allowance amount for obsolete and slow-moving inventories using a percentage of each product's life expectancy - this was estimated based on management's experience and historical data on the movement of goods, including products' past deterioration and shelf life.

(f) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets. Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

(g) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

(h) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash on hand	4,524,021	3,698,096	1,358,376	1,150,642
Cash at banks - savings accounts	136,287,329	194,679,167	15,363,808	40,882,944
- current accounts	421,586	1,710,008	136,184	962,892
- Fixed accounts (12 months)	13,371	13,322	-	-
	141,246,307	200,100,593	16,858,368	42,996,478

As at 31 December 2021, savings accounts carry interest at the rates of 0.05% to 0.125% per annum (2020 : 0.05% to 0.125% per annum), fixed deposits accounts (12 months) carry interest at the rates of 0.375% per annum (2020 : 0.375% per annum).

10 Trade and other accounts receivable (net)

Notes	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable				
- others	407,589,616	361,714,630	8,299,534	31,348,709
- related companies	-	4,766	500,716,925	461,056,929
Other accounts receivable - others	669,487	5,863,617	62,536	24,917
Accrued income	44,363,003	244,063,870	17,402,278	32,607,638
Contract assets	7,384,861	8,706,433	7,384,861	8,706,433
Advance payments - employees	806,962	11,260,861	260,000	252,000
Accrued interest income	2,490,131	2,490,178	5,795,236	5,887,429
Prepaid expenses	98,707,477	86,407,172	22,209,376	13,404,285
	562,011,537	720,511,527	562,130,746	553,288,340
<u>Less</u> Loss allowance				
- Trade accounts receivable	(6,197,483)	(5,748,902)	(1,385,179)	(995,376)
- Other accounts receivable	(22,609)	(22,609)	-	-
- Contract assets	-	(841,185)	-	(841,185)
- Accrued interest income	(2,489,884)	(2,489,884)	(2,489,884)	(2,489,884)
	(8,709,976)	(9,102,580)	(3,875,063)	(4,326,445)
	553,301,561	711,408,947	558,255,683	548,961,895

The Group's credit term for trade accounts receivable-not yet due is 7 to 90 days.

10.1 Contract assets

The movements in contract assets and liabilities during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance	18,706,433	57,500,942	18,706,433	57,500,942
Increase of contract assets during the year	47,457,249	21,000,000	47,457,249	21,000,000
Decrease due to transferred to accrued income	(28,869,880)	(59,794,509)	(28,869,880)	(59,794,509)
Total contract assets	37,293,802	18,706,433	37,293,802	18,706,433
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Contract assets				
- current	7,384,861	8,706,433	7,384,861	8,706,433
- non-current	29,908,941	10,000,000	29,908,941	10,000,000
Total contract assets	37,293,802	18,706,433	37,293,802	18,706,433

10.2 Impairments of trade receivables and contract assets

The loss allowance for trade receivables and contract assets was determined as follows:

As of 31 December 2020	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
- others	230,021,098	113,829,674	10,623,434	1,564,360	5,676,064	361,714,630
- related companies	4,766	-	-	-	-	4,766
- Accrued income	35,589,068	79,449,389	70,552,215	57,650,000	823,198	244,063,870
- contract assets	62,442	-	-	2,400,000	16,243,991	18,706,433
Loss allowance	(1,522)	(105,695)	-	-	(6,482,870)	(6,590,087)
As of 31 December 2021	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
- others	280,283,271	109,247,594	515,603	11,885,525	5,657,623	407,589,616
- Accrued income	22,630,785	13,257,015	1,328,760	6,710,443	436,000	44,363,003
- contract assets	37,293,802	-	-	-	-	37,293,802
Loss allowance	(479,803)	-	-	(320,300)	(5,397,380)	(6,197,483)
As of 31 December 2020	Separate financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
- others	6,168,823	16,862,460	7,354,358	39,008	924,060	31,348,709
- related companies	198,781,184	75,896,636	111,979,104	74,400,005	-	461,056,929
- Accrued income	12,276,542	19,457,897	50,000	-	823,199	32,607,638
- contract assets	62,442	-	-	2,400,000	16,243,991	18,706,433
Loss allowance	-	(105,695)	-	-	(1,730,866)	(1,836,561)
As of 31 December 2021	Separate financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables						
- others	1,678,704	5,384,163	39,376	-	1,197,291	8,299,534
- related companies	115,181,141	135,104,822	79,609,562	170,821,400	-	500,716,925
- Accrued income	9,281,109	8,121,169	-	-	-	17,402,278
- contract assets	37,293,802	-	-	-	-	37,293,802
Loss allowance	(479,803)	-	-	-	(905,376)	(1,385,179)

The reconciliations of expected credit loss allowance for trade receivables and contract assets for the year ended 31 December are as follow:

	Consolidated financial statements			
	Trade receivables		Contract assets	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening loss allowance as at 1 January	(5,748,902)	(7,168,543)	(841,185)	(1,078,732)
Acquisition of a subsidiary	(497,334)	-	-	-
Increase in loss allowance recognised in profit or loss during the year	(301,247)	(89,230)	-	(17,987)
Receivable written off during the year as uncollectible	60,000	300,000	823,198	240,000
Unused amount reversed	290,000	1,208,871	17,987	15,534
As of 31 December	(6,197,483)	(5,748,902)	-	(841,185)
	Separate financial statements			
	Trade receivables		Contract assets	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening loss allowance as at 1 January	(995,376)	(1,293,140)	(841,185)	(1,078,732)
Increase in loss allowance recognised in profit or loss during the year	(479,803)	(87,708)	-	(17,987)
Receivable written off during the year as uncollectible	60,000	300,000	823,198	240,000
Unused amount reversed	30,000	85,472	17,987	15,534
As of 31 December	(1,385,179)	(995,376)	-	(841,185)

11 Financial assets and financial liabilities

As at 31 December 2021 and 2020, the Group classified financial assets and financial liabilities which are measured at amortised cost

Cash and cash equivalents, trade and other accounts receivable, short-term loan to related companies, other current assets, trade and other accounts payable, retention payable and short-term loans from financial institutions are characterised as current assets and liabilities. Carrying values of these financial assets and liabilities approximated fair values. For non-current assets, its fair values are not significantly different from carrying values.

Lease liabilities and long-term loan from financial institutions present fair value in note 24 and 27, respectively

Outstanding balance of financial assets and financial liabilities and their interest rates as at 31 December 2021 and 2020 comprise as follows:

	Consolidated financial statements (Thousand Baht)							
	As at 31 December 2021							
	Floating interest rate		Fixed interest rate		Without interest	Total	Interest rate (% per annum)	
	Less than 1 year	1 year - 5 years	Less than 1 year	1 year - 5 years			Float rate	Fixed rate
Financial assets								
Cash and cash equivalents	136,301	-	-	-	4,945	141,246	0.05 - 0.38	-
Trade and other accounts receivable (net)	-	-	-	-	401,392	401,392	-	-
- Trade accounts receivable (net)	-	-	-	-	647	647	-	-
- Other accounts receivable (net)	-	-	-	-	807	807	-	-
- Advance payments - employees	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	1,415	1,415	-	-
- Deposit	-	-	-	-	4,773	4,773	-	-
- Retention	-	-	-	-	-	-	-	-
Restricted deposits with financial institutions	-	-	-	-	-	-	-	-
Other non-current assets	-	-	-	-	16,165	16,165	-	-
- Deposit	-	-	-	-	4,973	4,973	-	-
- Retention	-	-	-	-	-	-	-	-
Total financial assets	136,301	-	-	-	435,117	571,418		
Financial liabilities								
Trade and other accounts payable	-	-	-	-	882,455	882,455	-	-
Retention payable	-	-	-	-	12,584	12,584	-	-
Lease liabilities (net)	-	-	91,785	302,492	-	394,277	-	2.47 - 6.25
Short-term loans from financial institutions	995,000	-	-	-	-	995,000	1.90 - 2.00	-
Long-term loans from financial institution	120,000	952,204	-	-	-	1,072,204	2.87 - 4.04	-
Total financial liabilities	1,115,000	952,204	91,785	302,492	895,039	3,356,520		
	Consolidated financial statements (Thousand Baht)							
	As at 31 December 2020							
	Floating interest rate		Fixed interest rate		Without interest	Total	Interest rate (% per annum)	
	Less than 1 year	1 year - 5 years	Less than 1 year	1 year - 5 years			Float rate	Fixed rate
Financial assets								
Cash and cash equivalents	194,692	-	-	-	5,408	200,100	0.05 - 0.38	-
Trade and other accounts receivable (net)	-	-	-	-	390,971	390,971	-	-
- Trade accounts receivable (net)	-	-	-	-	5,841	5,841	-	-
- Other accounts receivable (net)	-	-	-	-	11,261	11,261	-	-
- Advance payments - employees (net)	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	2,311	2,311	-	-
- Deposit	-	-	-	-	4,700	4,700	-	-
- Retention	-	-	-	-	-	-	-	-
Other non-current assets (net)	-	-	-	-	15,511	15,511	-	-
- Deposit	-	-	-	-	7,358	7,358	-	-
- Retention	-	-	-	-	-	-	-	-
Total financial assets	194,692	-	-	-	443,361	638,053		
Financial liabilities								
Trade and other accounts payable	-	-	-	-	1,016,086	1,016,086	-	-
Retention payable	-	-	-	-	23,430	23,430	-	-
Lease liabilities (net)	-	-	83,311	366,746	-	450,057	-	3.25 - 4.00
Short-term loans from financial institutions	540,000	-	-	-	-	540,000	1.90 - 2.00	-
Long-term borrowings from financial institution	80,000	156,085	-	-	-	236,085	4.04	-
Total financial liabilities	620,000	156,085	83,311	366,746	1,039,516	2,265,658		

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Separated financial statements (Thousand Baht)								
As at 31 December 2021								
	Floating interest rate		Fixed interest rate		Without interest	Total	Interest rate (% per annum)	
	Less than 1 year	1 year - 5 years	Less than 1 year	1 year - 5 years			Float rate	Fixed rate
Financial assets								
Cash and cash equivalents	15,364	-	-	-	1,494	16,858	0.05 - 0.13	-
Trade and other accounts receivable (net)	-	-	-	-	507,631	507,631	-	-
- Trade accounts receivable (net)	-	-	-	-	63	63	-	-
- Other accounts receivable (net)	-	-	-	-	260	260	-	-
- Advance payments – employees (net)	-	-	-	-	3,305	3,305	-	-
- Accrued interest income (net)	1,007,700	-	-	-	-	1,007,700	2.01	-
Short-term loan to related companies	-	-	-	-	-	-	-	-
Other current assets (net)	-	-	-	-	7,354	7,354	-	-
- Deposit	-	-	-	-	13	13	-	-
- Retention	-	-	-	-	-	-	-	-
Total financial assets	1,023,064	-	-	-	520,120	1,543,184		
Financial liabilities								
Trade and other accounts payable	-	-	-	-	91,557	91,557	-	-
Retention payable	-	-	-	-	3,291	3,291	-	-
Lease liabilities (net)	-	-	45,533	152,240	-	197,773	-	3.25 - 6.25
Short-term loans from financial institutions	490,000	-	-	-	-	490,000	1.90 - 2.00	-
Short-term loan from related companies	24,327	-	-	-	-	24,327	2.01	-
Long-term loans from financial institution	-	916,119	-	-	-	916,119	2.87	-
Total financial liabilities	514,327	916,119	45,533	152,240	94,848	1,723,067		

Separated financial statements (Thousand Baht)								
As at 31 December 2020								
	Floating interest rate		Fixed interest rate		Without interest	Total	Interest rate (% per annum)	
	Less than 1 year	1 year - 5 years	Less than 1 year	1 year - 5 years			Float rate	Fixed rate
Financial assets								
Cash and cash equivalents	40,883	-	-	-	2,113	42,996	0.05 - 0.125	-
Trade and other accounts receivable (net)	-	-	-	-	491,410	491,410	-	-
- Trade accounts receivable (net)	-	-	-	-	25	25	-	-
- Other accounts receivable (net)	-	-	-	-	252	252	-	-
- Advance payments – employees (net)	-	-	-	-	3,398	3,398	-	-
- Accrued interest income (net)	1,034,700	-	-	-	-	1,034,700	1.99	-
Short-term loan to related companies	-	-	-	-	-	-	-	-
Other current assets (net)	-	-	-	-	7,062	7,062	-	-
- Deposit	-	-	-	-	2,734	2,734	-	-
- Retention	-	-	-	-	-	-	-	-
Total financial assets	1,075,583	-	-	-	506,994	1,582,577		
Financial liabilities								
Trade and other accounts payable	-	-	-	-	114,177	114,177	-	-
Retention payable	-	-	-	-	10,703	10,703	-	-
Lease liabilities (net)	-	-	42,197	185,699	-	227,896	-	3.25 - 4.00
Short-term loans from financial institutions	350,000	-	-	-	-	350,000	1.90 - 2.00	-
Short-term loan from related companies	255,327	-	-	-	-	255,327	1.99	-
Total financial liabilities	605,327	-	42,197	185,699	124,880	958,103	-	-

Sensitivity

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, and interest expenses from borrowings as a result of changes in interest rates

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Interest rate - increase 0.1% (2020: 0.8%)	(995,000)	(3,880,425)	490,000	2,800,000
Interest rate - decrease 0.1% (2020: 0.8%)	995,000	3,880,425	(490,000)	(2,800,000)

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11.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets at amortised cost other than trade receivables include loan to related parties as follows:

	Separate financial statements					
	31 December 2021			31 December 2020		
	Current Thousand Baht	Non-current Thousand Baht	Total Thousand Baht	Current Thousand Baht	Non-current Thousand Baht	Total Thousand Baht
Loans to related parties	1,028,055	-	1,028,055	1,055,055	-	1,055,055
Less: Loss allowance for debt investments at amortised cost	(20,355)	-	(20,355)	(20,355)	-	(20,355)
Total	1,007,700	-	1,007,700	1,034,700	-	1,034,700

Borrowings are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

b) Loss allowance

Information about the impairment of financial assets at amortised cost and the Group's exposure to credit risk is disclosed in Note 10.2 and 38 d).

12 Inventories (net)

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Finished goods:				
Music CDs, VCDs, DVDs and others	599,592	599,592	599,592	599,592
Consumer products	350,084,550	233,918,578	-	-
Souvenirs	330,106	330,106	330,106	330,106
Total finished goods	351,014,248	234,848,276	929,698	929,698
Work in process:				
TV Program	970,111	189,875	-	-
Concert and event	1,077,349	100,000	856,244	-
Total work in process	2,047,460	289,875	856,244	-
Raw Materials	737,476	-	-	-
Satellite television receivers	119,397	119,497	-	-
Packaging and Brochure	17,754,593	1,766,941	-	-
Total	371,673,174	237,024,589	1,785,942	929,698
Less Allowance for obsolete inventories	(35,039,155)	(8,298,708)	(813,918)	(813,918)
Inventories (net)	336,634,019	228,725,881	972,024	115,780

The cost of inventories recognised as expense and included in cost of sales and cost of service in the consolidated and Company financial statements amounted to Baht 1,134,929,855 and Baht 18,414,852 (2020 : Baht 976,118,689 and Baht 48,003,998), respectively.

The Group recorded allowance for obsolete inventory in the consolidated financial statement amounting of Baht 26,740,447 (2020: the allowance for obsolete inventory in the consolidated financial statement is Baht 2,127,781 and reversed the allowance for obsolete inventory in the consolidated financial statement due to inventory destruction amounting of Baht 27,378,143). The amount recorded and reversed has been included in cost of sales in the statement of comprehensive income.

13 Other current assets (net)

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Refundable deposits	1,414,835	2,310,750	-	-
Guarantees	4,772,500	4,700,000	-	-
Others	1,163,362	1,673,678	617,548	677,049
	7,350,697	8,684,428	617,548	677,049

14 Investments in subsidiaries (net)

Investments in subsidiaries which recorded by the cost method as at 31 December 2021 and 2020, consisted of:

Company name	Nature of business	Registered in	Percentage of shareholding	
			2021	2020
			%	%
Operating subsidiaries				
R.S. Television Co., Ltd.	Digital TV business	Thailand	100	100
RS Mall Co., Ltd.	Commerce			
Thai Copyright Collection Co., Ltd.	Copyrights collection	Thailand	100	100
Lifestar Co., Ltd.	Commerce			
Coolism Co., Ltd.	Radio business	Thailand	100	100
Yaak Co., Ltd.	TV program	Thailand	100	100
R Alliance Co., Ltd.				
(Formerly: RSX Co., Ltd.)	Event organizer	Thailand	100	100
Fourth Apple Co., Ltd.	Content & Influencer Marketing	Thailand	70	-
Non-operating subsidiaries				
RS Travel Co., Ltd.	Event organizer	Thailand	100	100
R.S. Sportmaster Co., Ltd.	Production TV Program and event	Thailand	-	76
RS International Broadcasting and Sports Management Co., Ltd.	Event and sport activity organizer	Thailand	83	83
S-One Sport Co., Ltd.	Rental football stadium	Thailand	100	100

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	Separate financial statements									
	Paid up capital		Cost Method		Allowance for impairment		Carrying value		Dividend income (Note 32)	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Operating subsidiaries										
R.S. Television Co., Ltd.	300,000,000	300,000,000	300,209,300	300,209,300	-	-	300,209,300	300,209,300	-	-
RS Mall Co., Ltd.	200,000,000	200,000,000	199,999,300	199,999,300	-	-	199,999,300	199,999,300	-	-
Thai Copyright Collection Co., Ltd.	5,000,000	5,000,000	4,999,400	4,999,400	-	-	4,999,400	4,999,400	2,999,640	16,747,990
Lifestar Co., Ltd.	1,000,000	1,000,000	852,193	852,193	-	-	852,193	852,193	-	-
Coolism Co., Ltd.	6,250,000	6,250,000	1,299,993	1,299,993	-	-	1,299,993	1,299,993	54,993,840	-
Yaak Co., Ltd.	2,500,000	2,500,000	2,499,300	2,499,300	-	-	2,499,300	2,499,300	-	-
R Alliance Co., Ltd.(Formerly: RSX Co., Ltd.)	1,035,000,000	80,000,000	1,035,000,000	80,000,000	(76,269,090)	(76,233,906)	958,730,910	3,766,094	-	-
Fourth Apple Co., Ltd. ***	4,000,000	-	13,000,000	-	-	-	13,000,000	-	-	-
Total	1,553,750,000	594,750,000	1,557,859,486	589,859,486	(76,269,090)	(76,233,906)	1,481,590,396	513,625,580	57,993,480	16,747,990
Non-operating subsidiaries										
RS Travel Co., Ltd.	37,000,000	37,000,000	32,775,000	32,775,000	(24,753,973)	(24,822,108)	8,021,027	7,952,892	-	-
R.S. Sportmaster Co., Ltd.*	-	4,500,000	-	2,667,595	-	(2,667,595)	-	-	-	-
RS International Broadcasting and Sports Management Co., Ltd.	9,375,000	9,375,000	167,812,500	167,812,500	(156,797,351)	(156,905,928)	11,015,149	10,906,572	-	-
S-One Sport Co., Ltd. **	15,000,000	15,000,000	33,800,530	33,800,530	(33,800,530)	(33,800,530)	-	-	-	-
Total	61,375,000	65,875,000	234,388,030	237,055,625	(215,351,854)	(218,196,161)	19,036,176	18,859,464	-	-
Grand Total	1,615,125,000	660,625,000	1,792,247,516	826,915,111	(291,620,944)	(294,430,067)	1,500,626,572	532,485,044	57,993,480	16,747,990

* Dissolute

** Under the bankruptcy process and the absolute receivership.

*** Purchase during the year.

The aforementioned subsidiaries have been reported as part of the group's consolidated financial statements. The voting right of the parent company in the subsidiaries does not differ from its shareholding.

- At the extraordinary shareholders' meeting of R.S. Sportmaster Company Limited held on 12 September 2019, the shareholders approved the dissolution of the Company effective from 16 September 2019 onwards. The Company is completely liquidated and registered for the dissolution with the Ministry of Commerce on 5 January 2021. From the date dissolution, the financial information of this subsidiary is excluded from the consolidated financial information since 5 January 2021.
- In the Board of Directors' meeting No. 1/2021 held on 18 January 2021, it passed a resolution to increase the registered capital of R Alliance Company Limited (Formerly: RSX Company Limited) from the original registered capital of Baht 80,000,000 to a new registered capital amounting to Baht 1,035,000,000 by issuing new ordinary shares of 9,550,000 shares, par value of Baht 100 per share, totaling of Baht 955 million. The Board of Directors approved the purchase of newly issued ordinary shares in full.
- On 30 April 2021, the Group acquired 70% of the share capital of Fourth Apple Company Limited which is a service and management of online marketing Content & Influencer Marketing company for a total consideration of Baht 13 million. As a result of the acquisition, the Group is expected to increase its presence in these markets. It also expects to reduce costs through economies of scale.

15 Investment in an associated and joint venture (net)

Name of entity	Nature of business	% of ownership interest		Consolidated financial statements		Separate financial statements	
		2021 %	2020 %	Equity method		Cost method	
				2021 Baht	2020 Baht	2021 Baht	2020 Baht
<i>Associates:</i>							
Idea Power Co., Ltd.	Event organizer	25	25	3,958	3,992	-	-
Chase Asia Co., Ltd.	Asset management	35	-	1,033,143	-	-	-
No Problem Corporation Co., Ltd.	Snack manufacturing	31	-	300	-	-	-
<i>Joint ventures:</i>							
RS Plan B Co., Ltd.	Commerce and marketing	51	-	25,989	-	25,989	-
				1,063,390	3,992	25,989	-
				Consolidated financial statements		Separate financial statements	
				2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening net book value				3,992,546	3,992,546	-	-
Increase in investment				976,403,050	-	26,002,160	-
Increase from acquisition of a subsidiary				90,000	-	-	-
Profit (loss) sharing from investment in associates				82,917,254	-	-	-
in joint ventures				(12,699)	-	(12,699)	-
Closing net book value				1,063,390,151	3,992,546	25,989,461	-

As at 1 March 2021, the subsidiary, R Alliance Co., Ltd. (Formerly: RSX Co., Ltd.), acquires newly issued ordinary shares of Chase Asia Company Limited 2,744,773 shares or 35% of the total registered capital of Chase Asia Company Limited at the total cost of Baht 950,400,890. The Company uses all purchased shares of Chase Asia Company Limited as collateral against a loan from a financial institution.

The following table summarises the consideration paid for Chase Asia Company Limited and subsidiaries, and the amounts of the assets acquired and liabilities assumed recognised on 1 March 2021, an acquisition date.

	Baht
Cash and cash equivalents	18,199,517
Trade and other accounts receivable (net)	62,121,383
Investments in loans	583,176,089
Loans to customers	247,523,051
Short-term loans to related parties	116,400
Properties foreclosed - net	35,970,800
Other current assets	163,578
Fixed deposits at banks	490,216
Property, plant and equipment - net	313,798,918
Right-of-use asset	14,837,545
Intangible assets – collection system	999,800
Intangible assets – register fee and cost of submission	600,000
Deposits and retentions	1,768,904
Deferred tax assets	119,016,816
Short-term borrowings from financial institutions	(25,334,858)
Trade and other payables	(22,238,362)
Long-term borrowings from financial institutions	(273,313,660)
Lease liabilities	(15,188,605)
Income tax payables	(25,752,784)
Other current liabilities	(130,463,673)
Long-term borrowings from related parties	(9,993,825)
Employee benefits obligation	(10,705,422)
Deferred tax liabilities	(9,903,396)
Total identifiable asset (net)	830,838,428
Percentage acquired on 1 March 2021	35%
Fair value of net assets acquired	290,793,450
Payments for investment as at the date of acquisition - cash	920,000,000
Goodwill	629,206,550

As at 30 April 2021, the group has investment in No Problem Corporation Co., Ltd., hold by a subsidiary company, Fourth Apple Co., Ltd., totaling of 21 % at the totalling Baht 300,000.

As at 30 July 2021, RS Public Company Limited has jointly invested with Plan B Co., Ltd. to establish RS Plan B Co., Ltd. which RS Public Company Limited hold 51% of the total registered capital at the total cost of Baht 26,002,160.

a) Commitments and contingent liabilities in respect of associates and joint ventures

There are no Commitments and contingent liabilities in respect of associates and joint ventures.

b) Summarised financial information for associates

The table below is summarised of financial information for associates that are material to the Group. The financial information is included in associates own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy.

	Chase Asia Co., Ltd. 2021 Baht
<i>Summary statement of comprehensive income</i>	
Revenue	646,145,453
Expense	(362,673,135)
Profit before income tax	283,472,318
Income tax expense/income	(47,066,607)
Net profit	236,405,711
Equity method based on percentage of shareholding	82,741,999
<i>Summary statement of financial position</i>	
Current assets	405,268,194
Non-current assets	2,109,608,025
	2,514,876,219
Current liabilities	288,484,884
Non-current liabilities	300,172,002
Net assets	1,926,219,333
Reconciliation to carrying amounts:	
Net assets	1,926,219,333
Payments for investment as at the date of acquisition - cash	(920,000,000)
Share issue expense	22,080,000
Difference in fair value of net assets as at acquisition date	38,944,806
Total identifiable asset after adjustment	1,067,244,139
Group's share in associates (%)	35
Group's share in associates (Baht)	373,535,449
Goodwill	629,206,550
Consulting cost related to acquisition	30,400,890
Carrying amount	1,033,142,889

c) Summarised financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in associates own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy.

	RS Plan B Co., Ltd. 2021 Baht
<i>Summary statement of comprehensive income</i>	
Revenue	18,486
Expense	(43,385)
Profit(loss) before income tax	(24,899)
Income tax expense/income	-
Net Profit(loss)	(24,899)
Equity method based on percentage of shareholding	(12,699)
<i>Summary statement of financial position</i>	
Current assets	50,009,916
Non-current assets	185
	50,010,101
Current liabilities	35,000
Non-current liabilities	-
	35,000
Net assets	49,975,101
Reconciliation to carrying amounts:	
Loss for the period	50,000,000 (24,899)
Net assets	49,975,101
Group's share in joint ventures (%)	51
Group's share in joint ventures (Baht)	25,487,302
Acquisition-related costs	502,160
Joint ventures' carrying amount	25,989,461

16 Buildings and equipment (net)					
Consolidated financial statements (Baht)					
	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	Total
As at 1 January 2021					
Cost	478,257,537	440,675,493	45,869,780	196,709,296	1,161,512,106
<u>Less</u> Accumulated depreciation	(263,259,848)	(228,051,851)	(28,319,851)	-	(519,631,550)
Net book amount	214,997,689	212,623,642	17,549,929	196,709,296	641,880,556
For the year ended 31 December 2021					
Opening net book amount	214,997,689	212,623,642	17,549,929	196,709,296	641,880,556
Acquisition of a subsidiary	-	159,051	255,563	-	414,614
Additions	2,117,699	14,141,559	-	21,780,193	38,039,451
Transfer from construction in progress and equipment under installation	110,000	194,485,964	-	(194,595,964)	-
Disposals - cost	(2,397,199)	(8,752,625)	(44,500)	-	(11,194,324)
- accumulated depreciation	2,395,209	8,652,868	44,499	-	11,092,576
Depreciation charge (Note 33)	(40,091,411)	(70,643,609)	(2,883,554)	-	(113,618,574)
Closing net book amount	177,131,987	350,666,850	14,921,937	23,893,525	566,614,299
As at 31 December 2021					
Cost	478,088,041	640,709,442	46,080,843	23,893,525	1,188,771,851
<u>Less</u> Accumulated depreciation	(300,956,054)	(290,042,592)	(31,158,906)	-	(622,157,552)
Net book amount	177,131,987	350,666,850	14,921,937	23,893,525	566,614,299

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Consolidated financial statements (Baht)						
	Building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	Total
As at 1 January 2020						
Cost	2,245,206	413,534,291	535,886,461	67,942,510	225,049,747	1,244,658,215
<u>Less</u> Accumulated depreciation	(2,245,204)	(267,779,650)	(433,920,892)	(36,929,020)	-	(740,874,766)
Net book amount	2	145,754,641	101,965,569	31,013,490	225,049,747	503,783,449
For the year ended 31 December 2020						
Opening net book amount	2	145,754,641	101,965,569	31,013,490	225,049,747	503,783,449
Reclassify from finance lease asset to right-of-use assets (net)	-	(3,229,903)	-	(17,125,120)	-	(20,355,023)
Additions	-	4,723,936	55,244,213	-	186,404,804	246,372,953
Transfer from construction in progress and equipment under installation	-	105,771,747	108,973,508	-	(214,745,255)	-
Disposals - cost	-	(45,772,437)	(107,910,414)	(11,829,000)	-	(165,511,851)
- accumulated depreciation	-	44,499,845	107,605,816	8,156,128	-	160,261,789
Write-off - cost	(2,245,206)	-	(151,518,275)	(1,322,331)	-	(155,085,812)
- accumulated depreciation	2,245,204	-	150,178,660	1,322,326	-	153,746,190
Transfer from right-of-use assets (net) (Note 17)	-	2,611,635	-	11,963,865	-	14,575,500
Depreciation charge (Note 33)	-	(39,361,775)	(51,915,435)	(4,629,429)	-	(95,906,639)
Closing net book amount	-	214,997,689	212,623,642	17,549,929	196,709,296	641,880,556
As at 31 December 2020						
Cost	-	478,257,537	440,675,493	45,869,780	196,709,296	1,161,512,106
<u>Less</u> Accumulated depreciation	-	(263,259,848)	(228,051,851)	(28,319,851)	-	(519,631,550)
Net book amount	-	214,997,689	212,623,642	17,549,929	196,709,296	641,880,556

RS Public Company Limited
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	Separate financial statements (Baht)				
	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	Total
As at 1 January 2021					
Cost	340,159,525	297,574,213	38,508,692	183,972,737	860,215,167
<u>Less</u> Accumulated depreciation	(195,572,419)	(154,616,683)	(22,541,339)	-	(372,730,441)
Net book amount	144,587,106	142,957,530	15,967,353	183,972,737	487,484,726
For the year ended 31 December 2021					
Opening net book amount	144,587,106	142,957,530	15,967,353	183,972,737	487,484,726
Additions	264,000	5,629,445	-	20,785,875	26,679,320
Transfer from construction in progress and equipment under installation	-	187,040,087	-	(187,040,087)	-
Disposals - cost	(2,397,199)	(7,552,685)	(44,500)	-	(9,994,384)
- accumulated depreciation	2,395,209	7,523,928	44,499	-	9,963,636
Depreciation charge (Note 33)	(28,237,441)	(50,727,880)	(2,354,831)	-	(81,320,152)
Closing net book amount	116,611,675	284,870,425	13,612,521	17,718,525	432,813,146
As at 31 December 2021					
Cost	338,026,326	482,691,061	38,464,192	17,718,525	876,900,104
<u>Less</u> Accumulated depreciation	(221,414,651)	(197,820,636)	(24,851,671)	-	(444,086,958)
Net book amount	116,611,675	284,870,425	13,612,521	17,718,525	432,813,146

RS Public Company Limited
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	Separate financial statements (Baht)					Total
	Building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	
As at 1 January 2020						
Cost	2,245,206	354,180,378	417,919,985	60,541,421	187,345,221	1,022,232,211
<u>Less</u> Accumulated depreciation	(2,245,204)	(208,557,214)	(370,800,242)	(31,582,853)	-	(613,185,513)
Net book amount	2	145,623,164	47,119,743	28,958,568	187,345,221	409,046,698
For the year ended 31 December 2020						
Opening net book amount	2	145,623,164	47,119,743	28,958,568	187,345,221	409,046,698
Reclassify from finance lease asset to right-of-use-assets (net)	-	(3,229,903)	-	(17,125,120)	-	(20,355,023)
Additions	-	197,600	46,076,665	-	112,685,470	158,959,735
Transfer from construction in progress and equipment under installation	-	31,227,000	84,830,954	-	(116,057,954)	-
Disposals - cost	-	(45,445,452)	(99,735,116)	(11,789,000)	-	(156,969,568)
- accumulated depreciation	-	43,680,776	98,982,469	8,116,129	-	150,779,374
Write-off - cost	(2,245,206)	-	(151,518,275)	(1,322,331)	-	(155,085,812)
- accumulated depreciation	2,245,204	-	150,178,660	1,322,326	-	153,746,190
Transfer from right-of-use assets - cost (net) (Note 17)	-	2,611,635	-	11,963,865	-	14,575,500
Depreciation charge (Note 33)	-	(30,077,714)	(32,977,570)	(4,157,084)	-	(67,212,368)
Closing net book amount	-	144,587,106	142,957,530	15,967,353	183,972,737	487,484,726
As at 31 December 2020						
Cost	-	340,159,525	297,574,213	38,508,692	183,972,737	860,215,167
<u>Less</u> Accumulated depreciation	-	(195,572,419)	(154,616,683)	(22,541,339)	-	(372,730,441)
Net book amount	-	144,587,106	142,957,530	15,967,353	183,972,737	487,484,726

As at 31 December 2021, the gross carrying amount of fully depreciated buildings and equipment that are still in used as included in the consolidated and Company financial statements were Baht 255,891,819 and Baht 236,192,768 (2020 : Baht 204,613,873 and Baht 193,080,726), respectively.

17 Right-of-use assets (net)

	Consolidated financial statements				
	Buildings Baht	Equipment Baht	Vehicles Baht	Software Baht	Total Baht
Balance as at 1 January 2021	459,996,593	8,221,312	2,487,762	781,280	471,486,947
Acquisition of a subsidiary	-	-	529,829	-	529,829
Additions	31,477,882	-	6,682,247	-	38,160,129
Contract amendment	(4,155,010)	-	-	-	(4,155,010)
Depreciation	(90,186,084)	(1,700,158)	(2,737,199)	-	(94,623,441)
Amortisation	-	-	-	(390,639)	(390,639)
Balance as at 31 December 2021	397,133,381	6,521,154	6,962,639	390,641	411,007,815
	Separate financial statements				
	Buildings Baht	Equipment Baht	Vehicles Baht	Software Baht	Total Baht
Balance as at 1 January 2021	235,687,932	-	2,141,136	-	237,829,068
Additions	9,190,825	-	3,681,308	-	12,872,133
Contract amendment	2,648,084	-	-	-	2,648,084
Depreciation	(45,606,540)	-	(2,117,110)	-	(47,723,650)
Balance as at 31 December 2021	201,920,301	-	3,705,334	-	205,625,635
	Consolidated financial statements				
	Buildings Baht	Equipment Baht	Vehicles Baht	Software Baht	Total Baht
Balance as at 1 January 2020	8,666,299	3,229,903	17,125,120	196,775	29,218,097
Additions	526,503,489	8,500,000	436,964	1,171,920	536,612,373
Transfer to building and equipment (Note 16)	-	(2,611,635)	(11,963,865)	-	(14,575,500)
Transfer to intangible asset (Note 20)	-	-	-	(159,108)	(159,108)
Depreciation	(75,173,195)	(896,956)	(3,110,457)	-	(79,180,608)
Amortisation	-	-	-	(428,307)	(428,307)
Balance as at 31 December 2020	459,996,593	8,221,312	2,487,762	781,280	471,486,947
	Separate financial statements				
	Buildings Baht	Equipment Baht	Vehicles Baht	Software Baht	Total Baht
Balance as at 1 January 2020	-	3,229,903	17,125,120	196,775	20,551,798
Additions	272,574,441	-	-	-	272,574,441
Transfer to building and equipment (Note 16)	-	(2,611,635)	(11,963,865)	-	(14,575,500)
Transfer to intangible asset (Note 20)	-	-	-	(159,108)	(159,108)
Depreciation	(36,886,509)	(618,268)	(3,020,119)	-	(40,524,896)
Amortisation	-	-	-	(37,667)	(37,667)
Balance as at 31 December 2020	235,687,932	-	2,141,136	-	237,829,068

The expense relating to leases that not included in the measurement of lease liabilities right-of-use and cash outflows for leases for the year ended 31 December 2021 and 31 December 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Expense relating to short-term leases	1,542,300	3,880,376	-	2,516,321
Expense relating to leases of low-value assets	716,504	564,912	345,600	288,000
Total cash outflow for leases	105,407,002	111,591,739	53,276,629	57,430,028

18 Goodwill

As at 31 December 2021 Goodwill amount Baht 11,233,358 is allocated to a cash generating unit (CGU) identified according to business segment

The Group allocate all Goodwill to a cash generating unit which is online marketing, content creation, and marketing activities.

The recoverable amount of the CGUs is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 2 year period as follows; as follows; as follows;

- 1.The growth rates of 10% are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.
- 2.Forecast profit of 49% from financial budgets
- 3.Pre-tax discounted rate of 8.4% used in cash flow projection

These assumptions have been used for the analysis of each CGU within the business segment.

There are no reasonably possible change in key assumptions that would cause the CGU's carrying amount exceed its recoverable amount.

19 License for operation right in spectrum of digital television (net)

Movement of license for operation right in spectrum of digital television during the years ended 31 December 2021 and 2020 are summarised below.

	Consolidated financial statements	
	2021 Baht	2020 Baht
Cost	1,394,710,008	1,394,710,008
Less Accumulated amortisation	(868,017,435)	(795,989,414)
	526,692,573	598,720,594

The amortization expense in the consolidated financial statement amount to Baht 72,028,021 was recognised in Statement of Comprehensive Income. (2020 : Baht 72,028,021)

On 11 April 2019, the NCPO Order no. 4/2019 on the Solution for Television and Telecommunication Industries was announced in the Royal Thai Government Gazette. The Order will come into effect on the date it's announced. According to the Order, Office of the NBTC must forego the 700MHz in the range of 694MHz - 790MHz license for digital terrestrial television licensees, and reallocate the spectrum for telecommunications purposes. Also, the NBTC needs to provide a compensation scheme or remuneration for those cancelled licensees which involves the following actions:

- (1) Waive the last instalment of the spectrum license fee the last two instalments for an amount exceeding the minimum bid price or the starting bid price. The cancelled licensees also need to pay for the spectrum license fee before the last exception payment by 8 August 2019.
- (2) The NBTC will provide compensation to digital terrestrial television network licensees to cover their expenses for leasing the terrestrial television spectrum (MUX) over their remaining license terms and will come into effect after the term of the NCPO Order No. 9/2018 regarding the compensation scheme for digital terrestrial television network licensees expires. The compensation is based on the actual amounts incurred, and is agreed by both parties. The compensation amount must not exceed the rate set by Office of the NBTC.

As at 31 December 2021 and 2020, the subsidiary has not obligation to pay the license for operation right in spectrum of digital television

20 Intangible assets (net)

	Consolidated financial statements (Baht)					Separate Financial Statements (Baht)				
	Copyright of Music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Total	Copyright of music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Total
As at 1 January 2021										
Cost	308,463,390	2,675,281,495	270,842,086	552,035,923	3,806,622,894	308,463,430	641,008,723	177,289,034	360,000	1,127,121,187
<u>Less</u> Accumulated amortisation	(284,742,367)	(2,078,279,132)	(129,563,765)	-	(2,492,585,264)	(284,742,391)	(628,505,113)	(103,557,455)	-	(1,016,804,959)
Net book amount	23,721,023	597,002,363	141,278,321	552,035,923	1,314,037,630	23,721,039	12,503,610	73,731,579	360,000	110,316,228
For the year ended 31 December 2021										
Opening net book amount	23,721,023	597,002,363	141,278,321	552,035,923	1,314,037,630	23,721,039	12,503,610	73,731,579	360,000	110,316,228
Addition	1,200,000	53,031,292	5,271,445	722,957,131	782,459,868	1,200,000	-	826,081	1,719,000	3,745,081
Transferred in (out)	-	355,566,226	5,389,237	(360,955,463)	-	-	-	1,152,000	(1,152,000)	-
Write-off - cost	-	(168,172,047)	-	(400,000)	(168,572,047)	-	(11,830,000)	-	-	(11,830,000)
- accumulated amortisation	-	168,172,047	-	-	168,172,047	-	11,830,000	-	-	11,830,000
Amortisation charge (Note 33)	(1,721,663)	(268,187,500)	(22,342,871)	-	(292,252,034)	(1,721,663)	(8,795,691)	(12,735,794)	-	(23,253,148)
Closing net book amount	23,199,360	737,412,381	129,596,132	913,637,591	1,803,845,464	23,199,376	3,707,919	62,973,866	927,000	90,808,161
As at 31 December 2021										
Cost	309,663,390	2,915,706,966	281,502,767	913,637,591	4,420,510,714	309,663,430	629,178,723	179,267,114	927,000	1,119,036,267
<u>Less</u> Accumulated amortisation	(286,464,030)	(2,178,294,585)	(151,906,635)	-	(2,616,665,250)	(286,464,054)	(625,470,804)	(116,293,248)	-	(1,028,228,106)
Net book amount	23,199,360	737,412,381	129,596,132	913,637,591	1,803,845,464	23,199,376	3,707,919	62,973,866	927,000	90,808,161

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	Consolidated financial statements (Baht)					Separate Financial Statements (Baht)				
	Copyright of Music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Total	Copyright of music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Total
As at 1 January 2020										
Cost	305,743,390	2,383,355,493	239,833,808	54,783,079	2,983,715,770	305,743,430	635,838,723	164,559,399	1,095,900	1,107,237,452
<u>Less</u> Accumulated amortisation	(283,141,798)	(1,884,923,164)	(112,861,157)	-	(2,280,926,119)	(283,141,822)	(621,706,723)	(91,317,946)	-	(996,166,491)
Net book amount	22,601,592	498,432,329	126,972,651	54,783,079	702,789,651	22,601,608	14,132,000	73,241,453	1,095,900	111,070,961
For the year ended 31 December 2020										
Opening net book amount	22,601,592	498,432,329	126,972,651	54,783,079	702,789,651	22,601,608	14,132,000	73,241,453	1,095,900	111,070,961
Reclassify from finance lease asset to right assets (net)	-	-	(196,775)	-	(196,775)	-	-	(196,775)	-	(196,775)
Addition	2,720,000	156,435,064	10,822,821	729,010,788	898,988,673	2,720,000	10,157,500	6,599,812	5,417,100	24,894,412
Transferred in (out)	-	207,415,643	23,208,091	(230,623,734)	-	-	-	6,153,000	(6,153,000)	-
Disposal - cost	-	-	(3,022,634)	-	(3,022,634)	-	-	(23,177)	-	(23,177)
- accumulated amortisation	-	-	3,022,515	-	3,022,515	-	-	6,504	-	6,504
Write-off - cost	-	(71,924,705)	-	(1,134,210)	(73,058,915)	-	(4,987,500)	-	-	(4,987,500)
- accumulated amortisation	-	71,924,705	-	-	71,924,705	-	4,987,500	-	-	4,987,500
Transfer from right of use assets cost (net) (Note 17)	-	-	159,108	-	159,108	-	-	159,108	-	159,108
Amortisation charge (Note 33)	(1,600,569)	(265,280,673)	(19,687,456)	-	(286,568,698)	(1,600,569)	(11,785,890)	(12,208,346)	-	(25,594,805)
Closing net book amount	23,721,023	597,002,363	141,278,321	552,035,923	1,314,037,630	23,721,039	12,503,610	73,731,579	360,000	110,316,228
As at 31 December 2020										
Cost	308,463,390	2,675,281,495	270,842,086	552,035,923	3,806,622,894	308,463,430	641,008,723	177,289,034	360,000	1,127,121,187
<u>Less</u> Accumulated amortisation	(284,742,367)	(2,078,279,132)	(129,563,765)	-	(2,492,585,264)	(284,742,391)	(628,505,113)	(103,557,455)	-	(1,016,804,959)
Net book amount	23,721,023	597,002,363	141,278,321	552,035,923	1,314,037,630	23,721,039	12,503,610	73,731,579	360,000	110,316,228

As at 31 December 2021, the gross carrying amount of fully amortised intangible assets that are still in used as included in the consolidated and Company financial statements were Baht 1,065,005,587 and Baht 379,004,399 (2020 : Baht 824,363,465 and Baht 391,699,839), respectively.

The amortization expense in the consolidated and Company financial statement amount to Baht 292,252,034 and Baht 23,253,148 (2020 : Baht 286,568,698 and Baht 25,594,805) has been charged in cost of goods and services of Baht 271,078,887 and Baht 11,153,295 (2020 : Baht 267,771,295 and Baht 14,100,114) and in administrative expenses of Baht 21,173,147 and Baht 12,099,853 (2020 : Baht 18,797,403 and Baht 11,494,691 respectively).

21 Withholding tax deducted at source (net)

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Prepaid corporate income tax	-	16,943,422	-	-
Withholding tax deducted at source	39,430,871	139,469,816	4,733,664	25,522,031
<u>Less</u> Allowance for doubtful in recoverable of withholding tax	(613,126)	(8,762)	-	-
	38,817,745	156,404,476	4,733,664	25,522,031

22 Deferred tax (net)

Deferred tax assets and deferred tax liabilities presented by considering net position of each taxable unit as at 31 December 2021 and 2020 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Deferred tax assets (net)	239,452,209	123,568,442	85,520,303	85,872,673
Deferred tax liabilities (net)	(47,807,034)	(9,897)	-	-
	191,645,175	123,558,545	85,520,303	85,872,673

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The movement of deferred taxes for the years ended 31 December 2021 and 2020 comprises the following:

	Consolidated financial statements				Separate Financial Statements			
	1 January 2021 Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2021 Baht	1 January 2021 Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2021 Baht
Deferred tax assets:								
Loss allowance	5,498,743	(142,581)	-	5,356,162	4,936,289	(90,276)	-	4,846,013
Intangible assets - drama series license	1,169,104	(1,169,120)	-	(16)	(18)	-	-	(18)
Provision for inventory return	550,320	(667,322)	-	(117,002)	-	-	-	-
Provision of sale discount	1,372,328	1,272,903	-	2,645,231	-	-	-	-
Temporary differences arising between the carrying amounts of inventories reported in the consolidated balance sheet and their tax base	5,651,274	2,980,357	-	8,631,631	-	-	-	-
Allowance for slow moving	1,659,742	5,348,089	-	7,007,831	162,784	-	-	162,784
Provision for drama rights return	-	618,140	-	618,140	-	-	-	-
License for operation right in spectrum of digital television	131,419,214	(15,794,396)	-	115,624,818	-	-	-	-
Assets under lease liabilities	128,894	1,299,760	-	1,428,654	-	671,457	-	671,457
Employee benefit obligations	33,485,294	(191,175)	(2,090,731)	31,203,388	22,737,960	894,808	(814,928)	22,817,840
Cumulative tax loss carry forward	8,896,174	123,153,673	-	132,049,847	-	-	-	-
Provision for decommissioning costs	1,017,634	40,705	-	1,058,339	459,375	18,375	-	477,750
Allowance for impairment of investments	58,886,014	(561,825)	-	58,324,189	58,886,013	(561,825)	-	58,324,188
Depreciation expense from building and equipment	517	(517)	-	-	-	-	-	-
Total deferred tax assets	249,735,252	116,186,691	(2,090,731)	363,831,212	87,182,403	932,539	(814,928)	87,300,014
Deferred tax liabilities:								
Assets under finance lease agreement	(79,957)	79,957	-	-	(79,957)	79,957	-	-
Intangible assets - music license	(943,352)	(693,938)	-	(1,637,290)	(943,351)	(693,939)	-	(1,637,289)
Intangible assets - drama rights	-	(60,500,494)	-	(60,500,494)	-	-	-	-
Depreciation expense from building and equipment	(282,045)	82,717	-	(199,328)	(286,422)	144,000	-	(142,422)
Decrease from exemption of the instalment of license	(124,871,353)	15,022,428	-	(109,848,925)	-	-	-	-
Total deferred tax liabilities	(126,176,707)	(46,009,330)	-	(172,186,037)	(1,309,730)	(469,981)	-	(1,779,711)
Deferred tax assets (net)	123,558,545	70,177,361	(2,090,731)	191,645,175	85,872,673	462,557	(814,928)	85,520,303

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	Consolidated financial statements				Separate Financial Statements			
	1 January 2020 Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2020 Baht	1 January 2020 Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2020 Baht
Deferred tax assets:								
Loss allowance	5,830,061	(331,318)	-	5,498,743	5,043,231	(106,942)	-	4,936,289
Intangible assets - drama series license	37,529,645	(36,360,541)	-	1,169,104	(18)	-	-	(18)
Provision for inventory return	-	550,320	-	550,320	-	-	-	-
Provision of sale discount	-	1,372,328	-	1,372,328	-	-	-	-
Temporary differences arising between the carrying amounts of inventories reported in the consolidated balance sheet and their tax base	2,733,233	2,918,041	-	5,651,274	-	-	-	-
Allowance for slow moving	6,709,814	(5,050,072)	-	1,659,742	162,784	-	-	162,784
License for operation right in spectrum of digital television	147,213,610	(15,794,396)	-	131,419,214	-	-	-	-
Assets under lease liabilities	-	128,894	-	128,894	-	-	-	-
Employee benefit obligations	32,106,385	2,561,741	(1,182,832)	33,485,294	22,674,772	1,333,042	(1,269,854)	22,737,960
Cumulative tax loss carry forward	42,832,153	(33,935,979)	-	8,896,174	-	-	-	-
Provision for decommissioning costs	-	1,017,634	-	1,017,634	-	459,375	-	459,375
Allowance for impairment of investments	58,894,192	(8,178)	-	58,886,014	58,894,191	(8,178)	-	58,886,013
Depreciation expense from building and equipment	8,995,400	8,994,883	-	517	8,002,494	(8,002,494)	-	-
Total deferred tax assets	342,844,493	(91,926,409)	(1,182,832)	249,735,252	94,777,454	(6,325,197)	(1,269,854)	87,182,403
Deferred tax liabilities:								
Assets under finance lease agreement	(1,431,824)	1,351,867	-	(79,957)	(1,431,824)	1,351,867	-	(79,957)
Intangible assets - music license	(254)	(943,098)	-	(943,352)	(254)	(943,097)	-	(943,351)
Contract asset	(722,222)	722,222	-	-	(722,222)	722,222	-	-
Depreciation expense from building and equipment	-	(282,045)	-	(282,045)	-	(286,422)	-	(286,422)
Decrease from exemption of the instalment of license	(139,893,780)	15,022,427	-	(124,871,353)	-	-	-	-
Total deferred tax liabilities	(142,048,080)	15,871,373	-	(126,176,707)	(2,154,300)	844,570	-	(1,309,730)
Deferred tax assets (net)	200,796,413	(76,055,036)	(1,182,832)	123,558,545	92,623,154	(5,480,627)	(1,269,854)	85,872,673

23 Trade and other accounts payable

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts payable	583,111,371	711,179,947	7,497,309	33,116,083
Other accounts payable	30,015,400	49,931,359	31,638,545	22,326,722
Contract liabilities	70,561,241	38,956,681	13,537,885	13,804,682
Accrued expenses				
- Accrued commission and promotion	68,609,515	89,538,914	4,526,268	11,218,895
- Accrued project expenses	54,411,890	40,351,058	7,737,549	6,943,915
- Accrued interest expenses	2,491,035	166,984	2,437,507	839,009
- Accrued shipping expenses	8,867,029	10,140,987	-	-
- Accrued advertising expenses	8,428,479	14,824,478	-	-
- Other accrued expenses	55,959,081	60,995,094	24,182,390	25,928,017
	882,455,041	1,016,085,502	91,557,453	114,177,323

Contract liabilities

The Group has recognised the following liabilities related to rental and service contracts with customers:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Contract liabilities				
- Current	70,561,241	38,956,681	13,537,885	13,804,682
- Non-current	-	-	-	-
	70,561,241	38,956,681	13,537,885	13,804,682

During 2021, the Group recognised revenue from sales and services which relates to carried-forward contract liabilities at Baht 17,379,247 and Baht 3,670,506 million in the consolidated and separate income statements, respectively.

During 2020, the Group recognised revenue from sales and services which relates to carried-forward contract liabilities at Baht 22,394,088 million and Baht 11,818,649 million in the consolidated and separate income statements, respectively.

24 Liabilities under finance lease contracts (net)

The Group has entered into the lease agreements for rental assets used in the operating activities and has to pay rental expenses following rate specified in the agreements. As at 31 December 2020 and 31 December 2019, lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Lease liabilities	422,985,799	496,363,700	211,899,457	251,580,374
<u>Less</u> Deferred interest expenses	(28,708,333)	(46,306,728)	(14,126,369)	(23,684,327)
Present value of lease liabilities	394,277,466	450,056,972	197,773,088	227,896,047
<u>Less</u> Current portion (net)	(91,785,628)	(83,311,020)	(45,533,353)	(42,197,064)
	302,491,838	366,745,952	152,239,735	185,698,983

Minimum payment to be made in subsequent years are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Payments due of lease liabilities				
- Within 1 year	103,889,863	99,486,387	51,447,680	50,410,584
- Later than 1 year but not later than 5 years	319,095,936	385,262,289	160,451,777	193,909,128
- Over 5 years	-	11,615,024	-	7,260,662
	422,985,799	496,363,700	211,899,457	251,580,374

The fair value of Liabilities under finance lease contracts of consolidated and separate financial statement is Baht 394,832,963 and Baht 197,058,080 (2020 : Baht 465,817,343 and Baht 232,119,494) calculated from future cash flows that is discounted at market interest rates at the rate of 2.47-4.92% and in the level 2 of the fair value hierarchy.

25 Short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Promissory notes	995,000,000	540,000,000	490,000,000	350,000,000

As at 31 December 2021, short-term loans from a financial institutions represents roll able-over promissory notes denominated in Thai Baht bear interest rate approximately of 1.90% - 2.00% per annum (2020 : 1.90% - 2.00% per annum). The promissory notes are due for payable during January to March 2022 (2020 : due for payable during January to March 2021).

The movement of short-term loans from financial institutions for the years ended 31 December 2021 and 2020 is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Promissory notes				
Opening net book amount	540,000,000	450,000,000	350,000,000	320,000,000
Additions	6,711,000,000	4,310,000,000	3,376,000,000	2,930,000,000
Repayments	(6,256,000,000)	(4,220,000,000)	(3,236,000,000)	(2,900,000,000)
Closing net book amount	995,000,000	540,000,000	490,000,000	350,000,000

26 Value added tax

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Undue output tax	(72,454,874)	(64,195,763)	(33,765,970)	(31,727,468)
Undue input tax	55,614,700	52,567,237	776,261	2,446,658
Value added tax receivable	26,741,141	10,784,470	3,488	47,736
Value added tax payable	(17,512,263)	(11,429,465)	(3,342,496)	(4,074,620)
	(7,620,296)	(12,273,521)	(36,328,717)	(33,307,694)

Value added tax present by net position of each taxable unit as at 31 December 2021 and 2020 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Value added tax (assets)	52,578,115	24,610,076	-	-
Value added tax (liabilities)	(60,198,411)	(36,883,597)	(36,328,717)	(33,307,694)
	(7,620,296)	(12,273,521)	(36,328,717)	(33,307,694)

27 Long-term loans from a financial institution

The movements of long-term loans from a financial institution for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Balance as at 1 January	236,085,000	316,085,000	-	-
Acquisition of a subsidiary	2,397,955	-	-	-
Addition during the year	920,000,000	-	920,000,000	-
Prepaid front end fee	(4,600,000)	-	(4,600,000)	-
Amortised prepaid front end fee	718,819	-	718,819	-
Repayments during the year	(82,397,955)	(80,000,000)	-	-
Balance as at 31 December	1,072,203,819	236,085,000	916,118,819	-

On 31 December 2021, the Group has credit facilities for long-term loans from a financial institution amounted to Baht 920 million (2020 : Baht 300 million). Interest rate is Minimum Loan Rate (MLR) less a fixed percentage as stipulated in the contract. The principal is due for payable on a monthly installment basis. The first installment is due to pay 36 months after the loan drawn down date 1 March 2021. Interest is payable monthly within 84 months starting from the loan drawn down date.

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

	Consolidated financial statements		Separate financial statements	
	2021 % per annum	2020 % per annum	2021 % per annum	2020 % per annum
Long-term loans from a financial institution	2.87 - 4.04	4.04	2.87	-

The carrying amounts and fair value of certain long-term borrowing are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Long-term loans from a financial institution	1,072,203,819	236,085,000	1,088,995,513	236,072,235
	1,072,203,819	236,085,000	1,088,995,513	236,072,235

The fair value of long-term loans from a financial institution is Baht 1,088,995,513 calculated from future cash flows that is discounted at market interest rates at the rate of 2.47% - 3.25% and in the level 2 of the fair value hierarchy.

	Separate financial statements			
	Carrying amounts		Fair values	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Long-term loans from a financial institution	916,118,819	-	932,817,272	-
	916,118,819	-	932,817,272	-

The fair value of long-term loans from a financial institution is Baht 932,817,272 calculated from future cash flows that is discounted at market interest rates at the rate of 2.47 and in the level 2 of the fair value hierarchy.

As at 31 December 2021 and 2020, repayment periods of the long-term loans from a financial institution are summarised below:

	Separate financial statements			
	Carrying amounts		Fair values	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Due within the years ending				
Between 1 year	120,000,000	80,000,000	-	-
Between 2 years and 5 years	917,751,667	156,085,000	881,666,667	-
5 years onwards	38,333,333	-	38,333,333	-
	1,076,085,000	236,085,000	920,000,000	-

28 Employee benefit obligations

Employee benefit obligations as at 31 December 2021 and 2020 comprise the following

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Statement of financial position				
Retirement benefits	159,154,118	170,653,648	84,117,983	100,858,435
Profit or loss charge included in operating profit for :				
Retirement benefit	(955,876)	12,808,703	4,474,039	6,665,211
Remeasurement for :				
Retirement benefit	(10,453,654)	(5,914,159)	(4,074,640)	(6,349,270)

The movement of employee benefit obligations during the years are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance	170,653,648	163,964,704	100,858,435	105,976,538
Current service cost	17,192,337	15,706,413	7,524,005	7,397,204
Past service cost	(20,627,373)	(5,207,649)	(4,328,715)	(2,017,161)
Interest cost	2,479,160	2,309,939	1,278,749	1,285,168
Loss from change in demographic assumptions	-	13,160,964	-	5,747,698
Gain from change in financial assumptions	(20,371,242)	(2,785,763)	(7,566,927)	(874,822)
(Gain) Loss from experience adjustment	9,917,588	(16,289,360)	3,492,287	(11,222,146)
Transfer between the Group	-	-	(17,139,851)	(5,434,044)
Payment for retirement employee	(90,000)	(205,600)	-	-
Closing balance	159,154,118	170,653,648	84,117,983	100,858,435

	Consolidated and separate financial statements	
	2021	2020
Discount rate	0.52% - 3.56%	0.52% - 3.03%
Salary increase rate	6.50%	7.00%
Turnover rate	0.00% - 20.00%	0.00% - 20.00%
Mortality rate	3.00%	3.00%
Inflation rate	2.00%	2.50%

Sensitivity analysis form each significant assumption are as follows:

		Impact on defined benefit obligation Increase (Decrease)			
		Consolidated financial statements		Separate financial statements	
Change in assumption		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Discount rate	Increase by 1%	(14,299,339)	(16,972,444)	(5,670,424)	(8,087,540)
Discount rate	Decrease by 1%	16,438,992	19,734,544	6,318,865	9,181,124
Salary growth rate	Increase by 1%	15,788,748	18,643,496	6,168,888	8,738,318
Salary growth rate	Decrease by 1%	(13,902,608)	(16,339,768)	(5,504,730)	(7,778,001)
Turnover rate	Increase by 20%	(13,395,607)	(18,340,339)	(4,876,015)	(8,049,180)
Turnover rate	Decrease by 20%	16,146,855	22,566,813	5,736,422	9,582,117
Mortality rate	Increase by 1%	525,260	606,188	200,308	273,780
Mortality rate	Decrease by 1%	(594,465)	(681,928)	(224,121)	(304,624)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the employee benefit obligations to significant actuarial assumptions use the projected unit credit method.

29 Share capital

29.1 Ordinary shares and premium on share capital

	Consolidated and Separate financial statements			
	Authorised shares Shares	Issued and fully paid-up share capital Shares	Ordinary shares Bath	Share Premium Bath
Opening balance as at 1 January 2020	1,161,997,216	972,495,202	972,495,202	322,087,270
Issue of shares	-	1,744	1,744	19,955
Closing balance as at 31 December 220	1,161,997,216	972,496,946	972,496,946	322,107,225
Decrease of shares	(189,500,270)	-	-	-
Issue of shares	191,499,266	-	-	-
Closing balance as at 31 December 2021	1,163,996,212	972,496,946	972,496,946	322,107,225

29.2 Increase/decrease in share capital of Company

On 22 May 2020, the warrants holder exercised their warrant of 1,738 units to purchase 1,744 ordinary shares of Baht 12.4419 per each in total amount of Baht 21,698.67. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 1 June 2020.

On 19 April 2021, the Company's Annual General Shareholders' meeting passed a resolution to reduce of paid-up capital in the amount of 189,500,270 shares by decreasing share capital amounting of 189,500,270 shares at the par of Baht 1 each I for unexercised warrants (RS-W3) within exercised period to the Department of Business Development, Ministry of Commerce on 29 April 2021.

On 19 April 2021, the Company's Annual General Shareholders' meeting passed a resolution to increase authorised share capital amount of Baht by issuing of 191,499,266 new ordinary shares at the par value of Baht 1 each in order to support the adjustment of exercise price and exercise ratio of warrants. The Company has registered to increase authorised share capital with the Ministry of Commerce on 30 April 2021.

29.3 Warrants

The exercise of warrants to purchase ordinary share of RS Public Company Limited, have movement for the years ended 31 December 2021 and 2020 as follows:

	Consolidated and separate financial statements Unit
<u>Warrants No. 3 (RS-W3)</u>	
Warrants had not been exercised as at 1 January 2020	187,517,592
Warrants had been exercised	(1,738)
Warrants had been expired	(187,515,854)
Outstanding as at 31 December 2020	-
<u>Warrants No. 4 (RS-W4)</u>	
Warrants had not been exercised as at 11 June 2021	191,490,733
Outstanding warrants as at 31 December 2021	191,490,733

On 22 May 2020, the warrants holder exercised their warrant of 1,738 units to purchase 1,744 ordinary shares of Baht 12.4419 per each in total amount of Baht 21,698.67. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 1 June 2020.

On 19 April 2021, the Company's extraordinary shareholders passed a resolution to issuing and offering of warrants to purchase the ordinary shares of the Company (RS-W4) in the amount of 191,490,733 units to the existing shareholders whose names appeared in the shareholder register on 27 April 2021 at the ratio of 5 existing ordinary share per 1 unit of warrant for free, with any fraction to be discarded, 191,499,266 ordinary shares at the par value of Baht 1.00 each as to reserve for the exercise of the 191,490,733 warrants by 1 unit of Warrant will be entitled to purchase 1 new ordinary share at the price of Baht 29.00 per share. First exercise date is 30 November 2021.

29.4 Treasury shares/treasury shares reserve

The movement of treasury shares and premium on share capital for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated and Separate financial statements		
	Shares	Amount of treasury shares Baht	Premium on treasury shares Baht
Opening balance as at 1 January 2020	-	-	-
Decrease in share capital	15,000,000	160,158,220	-
Closing balance as at 31 December 2020	15,000,000	160,158,220	-
Repurchase	-	-	-
Closing balance as at 31 December 2021	15,000,000	160,158,220	-

30 Dividend payment

At the Company's Board of Director meeting No.3/2020 at 26 March 2020 the director passed a resolution approve the interim dividends instead the dividends from the operation results for the year at the rate of Baht 0.10 per share total Baht 95,824,270 which the Company paid the interim dividend on 24 April 2020.

31 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
At 1 January	120,327,052	120,327,052	120,327,052	120,327,052
Appropriation during the year	-	-	-	-
At 31 December	120,327,052	120,327,052	120,327,052	120,327,052

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

32 Other income

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Gain from exchange rate	4,935,280	-	894,461	-
Gain from disposal building and equipment and intangible assets	-	845,520	30,963	893,449
Interest income	247,299	486,454	19,187,538	20,955,242
Dividend income (Note 14)	-	-	57,993,480	16,747,990
Income from win a lawsuit	-	2,140,154	-	-
Pirate of copyright income	51,402	46,729	-	-
Subsidy for audio and video description from NBTC	-	5,790,338	-	-
Revenue from canteen	3,444,443	5,652,487	3,444,444	5,652,487
Gain from liquidation	-	16,693	-	16,693
Other income	8,076,321	1,925,403	3,174,059	719,874
	16,754,745	16,903,778	84,724,945	44,985,735

33 Expense by nature

The following significant expenditure items, classified by nature for the years ended 31 December 2021 and 2020, have been charged in the profit before finance costs and income tax:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Change in inventories of finished goods and work in process	(102,563,381)	64,975,051	(856,244)	4,031,372
Raw material and consumables used	1,514,592,717	1,401,739,943	78,251,898	379,611,173
Staff costs	824,056,416	727,546,250	293,783,547	270,798,489
Depreciation charge (Note 16 and 17)	208,242,015	175,087,247	129,043,802	107,737,264
Amortisation charge (Note 17, 19 and 20)	364,670,694	359,025,026	23,253,148	25,632,472
Rental expenses and utilities expenses	157,930,981	128,050,385	53,379,510	58,653,075
Promotion and advertising expenses	524,257,030	300,006,813	6,105,427	7,975,044
Loss from inventory destruction and obsolescence of inventories	26,740,447	2,127,781	-	-
Transportation	112,071,959	107,888,313	-	-

34 Finance costs

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Interest expense from short-term borrowings from financial institutions	(16,086,400)	(19,358,814)	(8,289,625)	(6,549,216)
Interest expense from short-term borrowings from related companies (Note 38 a))	-	-	(2,701,980)	(3,689,220)
Interest expense for long-term loans from financial institutions	(27,554,811)	-	(21,307,750)	-
Interest expense for lease liabilities	(15,415,262)	(16,752,498)	(7,639,348)	(8,461,161)
	(59,056,473)	(36,111,312)	(39,938,703)	(18,699,597)

35 Income tax

Reconciliation of income tax expense for the years ended 31 December 2021 and 2020 comprises:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current income tax on taxable profit for the year	(80,199,599)	(61,282,681)	(13,653,619)	(36,871,554)
Over recorded prior year income tax	4,426,541	403,594	-	-
Under recorded prior year income tax	-	-	(93,146)	(337)
Write - off allowance for doubtful in recoverable of withholding tax	(368,878)	(333,372)	(368,878)	(144,106)
Allowance for doubtful in recoverable of withholding tax	(3,463)	(1,586)	-	-
Deferred income tax:				
Increase (decrease) in deferred tax assets (Note 22)	116,186,691	(91,926,409)	932,539	(6,325,197)
Increase (decrease) in deferred tax liabilities (Note 22)	(46,009,330)	15,871,373	(469,981)	844,570
Total income tax	(5,968,038)	(137,269,081)	(13,653,085)	(42,496,624)
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit before tax accounting base	130,951,850	665,546,724	112,679,235	229,716,331
Tax calculated at the rate of 20%	(26,190,370)	(133,109,345)	(22,535,847)	(45,943,266)
Tax effect of:				
Non-deductible expenses	(1,293,292)	(2,482,310)	(2,649,592)	(2,471,212)
Additional deductible expenses	640,168	2,382,572	597,711	1,785,533
Temporary deferred of previously unrecognised deferred tax	(520,950)	919,545	(439,488)	927,166
Allowance for impairment in associate company and subsidiaries	(28,306)	(8,179)	-	-
Income not subject to tax	16,580,911	-	11,596,156	3,349,598
Non-taxable Income - Social security compensation according to section 33	789,600	-	240,000	-
Decrease of share capital in subsidiary	-	(5,040,000)	-	-
Write - off allowance for doubtful in recoverable of withholding tax	(372,340)	(334,958)	(368,878)	(144,106)
Over (under) recorded prior year income tax	4,426,541	403,594	(93,147)	(337)
Tax charge	(5,968,038)	(137,269,081)	(13,653,085)	(42,496,624)

36 Earnings per share

36.1 Basic earnings per share

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

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit attributable to equity holders of parent (Baht)	127,351,173	528,278,160	99,026,151	187,219,707
Weighted average number of ordinary shares in issue and paid-up (shares)	957,496,946	959,600,398	957,496,946	959,600,398
Basic earnings (Baht per share)	0.1330	0.5505	0.1034	0.1951

36.2 Diluted earnings per share

The diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares that are warrants. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the warrant. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to earnings.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net profit attributable to equity holders of parent (Baht)	127,351,173	528,278,160	99,026,151	187,219,707
Weighted average number of ordinary shares in issue and paid-up (shares)	957,496,946	959,600,398	957,496,946	959,600,398
Adjustment for : Assume conversion of warrants	-	-	-	-
Weighted average number of common shares for calculation of diluted earnings per share(shares)	957,496,946	959,600,398	957,496,946	959,600,398
Diluted earnings (Baht per share)	0.1330	0.5505	0.1034	0.1951

37 Business Acquisition

On 30 April 2021, the Group acquired 70% of the share capital of Fourth Apple Company Limited which is a service and management of online marketing Content & Influencer Marketing company for a total consideration of Baht 13 million. As a result of the acquisition, the Group is expected to increase its presence in these markets. It also expects to reduce costs through economies of scale.

The following table summarises the consideration paid for Fourth Apple Company Limited, and the amounts of the assets acquired and liabilities assumed recognised on 30 April 2021, an acquisition date.

	Baht
Cash and cash equivalents	7,997,194
Trade and other accounts receivable (net)	3,821,894
Investments in associates (net)	90,000
Plant and equipment (net)	414,614
Right-of-use assets (net)	529,829
Withholding tax deducted at source receivables (net)	1,067,779
Trade and other accounts payable	(7,619,764)
Value added tax (net)	(451,662)
Withholding tax payable	(567,396)
Lease liability agreement (net)	(360,759)
Long-term loans from financial institutions (net)	(2,397,955)
Total identifiable net	2,523,774
Percentage acquired on 30 April 2021	70%
Fair value of net assets acquired	1,766,642
Payments for investment as at the date of acquisition - cash	13,000,000
Goodwill	11,233,358

There is no acquisition-related costs included in administrative expenses in the profit or loss for the nine-month period ended 31 December 2021.

The goodwill amounting of Baht 11.23 million resulted from determining fair value of net acquired assets and reviewing Purchase Price Allocation ("PPA") of Fourth Apple Company Limited which is finalized in the year 2021. The Group expected that goodwill of Baht 11.23 million arise from having experts in online marketing, content creation, and marketing activities, as well as creating business ecosystem for the Group as a whole.

38 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The significant investments in subsidiaries and associates are set out in Notes 14 and 15.

Significant related parties transactions other than subsidiaries and associates can be summarised as follows:

Related parties	Type of business	Type of relation
Chetchot Co., Ltd.	Rental service	Common shareholder and directors

Significant related party transactions can be summarised as follows:

- a) Revenues and expenses transaction between the Group with related parties for the years ended 31 December 2021 and 2020.

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Transaction with Subsidiaries				
Revenue from media	-	-	22,755,867	215,112,972
Revenue from music	-	-	6,968,138	28,746,721
Revenue from management service	-	-	467,990,700	428,809,910
Dividend income	-	-	57,993,480	16,747,990
Interest income	-	-	19,148,815	20,831,151
Other income	-	-	-	3,997
Cost of sales and service	-	-	33,273,370	50,586,538
Selling and administrative expenses	-	-	1,085,576	527,627
Finance cost - interest expense (Note 34)	-	-	2,701,980	3,689,220
Transaction with related parties				
Cost of sales and service	40,053,118	41,832,827	7,191,708	8,387,277
Selling and administrative expenses	128,692,802	115,274,629	77,211,431	72,078,554
Finance cost - interest expense	14,711,700	16,080,916	7,484,954	8,106,445
Key management's remuneration	165,193,940	139,914,709	79,202,310	88,018,658

- b) Outstanding balance arising from trade and other accounts receivable as at 31 December 2021 and 2020 are as follows:

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivables				
Subsidiaries	-	-	500,716,925	461,052,163
Related parties	-	4,766	-	4,766
	-	4,766	500,716,925	461,056,929
Accrued interest income				
Subsidiaries	2,489,884	2,489,884	5,795,190	5,887,331
Allowance for doubtful - Accrued interest income				
Subsidiaries	(2,489,884)	(2,489,884)	(2,489,884)	(2,489,884)
Refundable deposits				
Related parties	15,117,408	16,144,598	7,288,884	6,997,124
Accrued income				
Subsidiaries	-	-	-	19,783,021

c) Outstanding balance of trade and others accounts payable as at 31 December 2021 and 2020 are as follows:

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts payable				
Subsidiaries	-	-	3,593,046	17,128,356
Other accounts payable				
Subsidiaries	-	-	17,139,851	-
Related parties	1,878,047	2,610,975	880,024	939,362
	1,878,047	2,610,975	18,019,875	939,362
Unearned revenue				
Subsidiaries	-	-	1,260,000	1,260,000
Accrued project expenses				
Subsidiaries	-	-	1,608,980	3,582,999
Related parties	1,186,889	-	822,453	-
	1,186,889	-	2,431,433	3,582,999
Accrued interest expense				
Subsidiaries	-	-	81,319	824,434
Accrued commission and promotion expenses				
Subsidiaries	-	-	172,500	17,119
Accrued expense - others				
Related parties	568,218	1,461,056	-	876,479
Lease liability agreements				
Related parties	376,050,024	432,266,323	194,050,066	255,315,481

d) Short-term loans to related parties (net)

The movements of short-term loans to related parties for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance	20,355,000	20,355,000	1,055,055,000	1,027,055,000
Additions	-	-	680,000,000	471,000,000
Repayments received	-	-	(707,000,000)	(443,000,000)
	20,355,000	20,355,000	1,028,055,000	1,055,055,000
<u>Less</u> Allowance for doubtful accounts	(20,355,000)	(20,355,000)	(20,355,000)	(20,355,000)
Closing balance	-	-	1,007,700,000	1,034,700,000

As at 31 December 2021 the outstanding balance of short-term loans from related parties are unsecured loan in Thai Baht currency bear interest at the rate of 2.01% per annum (As at 31 December 2020 : 1.99% per annum). The loan payment term is at call.

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

The reconciliations of loss allowances for loans to related parties measured at amortised cost for the year ended 31 December 2020 are as follows:

	Consolidated and Separate financial statements Baht
Opening loss allowance as at 1 January 2021	(20,355,000)
Increase in loss allowance recognised in profit or loss during the year	-
Loans written off during the year as uncollectible	-
Unused amount reversed	-
As at 31 December 2021	(20,355,000)

Short-term loans to related parties are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

e) Short-term loans from related parties

The movements of short-term loans from subsidiaries for the years ended 31 December 2021 and 2020 are as follows:

	Separate financial information	
	2021 Baht	2020 Baht
Opening balance	255,327,125	97,027,125
Additions	229,700,000	182,000,000
Repayment received	(460,700,000)	(23,700,000)
Closing balance	24,327,125	255,327,125

As at 31 December 2021, the outstanding balance of short-term loans for related parties are unsecured loan in Thai Baht currency and bear interest at the rate of 2.01% per annum (As at 31 December 2020: 1.99% per annum). The loan repayment term is at call.

Short-term loans from related parties are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

f) Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee. The compensation paid or payable to key management for employee services is shown below:

	Consolidated financial statements		Separate financial statements	
For the year ended 31 December	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Salaries and other short-term employee benefits	165,193,940	139,914,709	79,202,310	88,018,658
Post-employment benefits	4,494,110	4,367,216	2,460,920	2,911,386
	169,688,050	144,281,925	81,663,230	90,930,044

39 Segment information

To assess the group's operation, the Group considers the gross profit from the revenue transactions comprising revenue from Multi-platform Commerce, revenues from media, revenues from music, revenues from event business and beauty and revenues from other services. Intercompany sales were already eliminated. Group profit was determined by subtracting cost of sales and services.

Geographic information

As at 31 December 2021, the Group's revenue from sales and services with external customers approximately 94.28% is mostly the domestic. In addition, most non-current assets of the Group are located in Thailand.

Major customers

The Group has no revenue from sales and services transactions with a single external customer that amounts is more than 10% of the Group's revenue. Therefore, the Group does not present the information about major customers.

	Consolidated financial statements							
	For the year ended 31 December 2021							
	Multi-platform Commerce Thousand Baht	Media business Thousand Baht	Music business Thousand Baht	Showbiz business Thousand Baht	Other services Thousand Baht	Total Thousand Baht	Eliminated Thousand Baht	Total Thousand Baht
Revenues external	2,263,428	1,078,672	204,623	26,110	-	3,572,833	-	3,572,833
internal	308,492	751,127	6,968	17,494	469,030	1,553,111	(1,553,111)	-
Total revenues	2,571,920	1,829,799	211,591	43,604	469,030	5,125,944	(1,553,111)	3,572,833
Cost of sales and services	1,155,685	1,029,926	55,067	37,970	19,394	2,298,042	(493,873)	1,804,169
Gross profit	1,416,235	799,873	156,524	5,634	449,636	2,827,902	(1,059,238)	1,768,664
Timing of revenue recognition:								
Point in time	2,571,920	451,202	211,591	43,604	-	3,278,317	(346,972)	2,931,345
Over time	-	1,378,597	-	-	469,030	1,847,627	(1,206,139)	641,488
Total revenue	2,571,920	1,829,799	211,591	43,604	469,030	5,125,944	(1,553,111)	3,572,833
	As at 31 December 2021							
	Multi-platform Commerce Thousand Baht	Media business Thousand Baht	Music business Thousand Baht	Showbiz business Thousand Baht	Other services Thousand Baht	Total Thousand Baht	Eliminated Thousand Baht	Total Thousand Baht
Fixed assets (net)	50,410	203,590	695	158	311,761	566,614	-	566,614
Right-of-use assets (net)	101,589	100,198	3,184	-	206,037	411,008	-	411,008
Intangible assets (net)	60,894	2,159,979	23,200	-	86,465	2,330,538	-	2,330,538
	Consolidated financial statements							
	For the year ended 31 December 2020							
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Revenues external	2,381,755	1,148,162	166,178	78,068	-	3,774,163	-	3,774,163
internal	171,413	728,543	27,747	377	428,810	1,356,890	(1,356,890)	-
Total revenues	2,553,168	1,876,705	193,925	78,445	428,810	5,131,053	(1,356,890)	3,774,163
Cost of sales and services	955,688	1,070,287	70,358	47,026	377,135	2,520,494	(751,832)	1,768,662
Gross profit	1,597,480	806,418	123,567	31,419	51,675	2,610,559	(605,058)	2,005,501
Timing of revenue recognition:								
Point in time	2,553,168	486,300	190,019	78,445	-	3,307,932	(393,915)	2,914,017
Over time	-	1,390,405	3,906	-	428,810	1,823,121	(962,975)	860,146
Total revenue	2,553,168	1,876,705	193,925	78,445	428,810	5,131,053	(1,356,890)	3,774,163
	As at 31 December 2020							
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Fixed assets (net)	63,380	242,453	741	54	335,253	641,881	-	641,881
Right-of-use assets (net)	101,111	128,633	3,915	-	237,829	471,488	-	471,488
Intangible assets (net)	66,354	1,748,586	23,721	-	74,097	1,912,758	-	1,912,758

40 Commitments, contingent liabilities and significant agreements

40.1 Commitments

a) Capital commitments

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Purchase assets	11,047,679	8,054,509	7,292,379	3,528,309

b) Non-cancellable lease commitments

The Group has entered into non-cancellable lease agreements. The future aggregate minimum lease payments under non-cancellable leases agreements are as follows:

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Not later than 1 year	720,384	711,072	345,600	345,600
Later than 1 year but not later than 5 years	183,352	881,232	57,600	403,200
	903,736	1,592,304	403,200	748,800

c) Non-cancellable service commitments

The Group has entered into non-cancellable service agreements. The future aggregate minimum lease payments under non-cancellable service agreements are as follows:

	Consolidated financial information		Separate financial information	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Not later than 1 year	66,545,094	63,047,354	29,611,536	28,502,896
Later than 1 year but not later than 5 years	16,092,336	75,384,408	4,281,828	32,141,004
	82,637,430	138,431,762	33,893,364	60,643,900

40.2 Significant agreements with related parties and other entities

- The Company and subsidiary have entered 6 agreements whereby those companies are to provide satellite transmission services during 11 September 2021 to 30 September 2024. The Company is obligated to pay transmission service fee and other expenses as stipulated in the agreements. The Company is required to comply with conditions stipulated in the agreements.
- A subsidiary has entered into 2 agreements to buy airtime of Radio Broadcast Station with the government agency for the period of 2 years starting from 1 January 2022 to 31 December 2023.
- The National Broadcasting and Telecommunications Commission (NBTC) granted licenses to the Company and a subsidiary to operate telecommunication business. The Company and the subsidiaries are obligated to comply with certain conditions as stated in the licenses, and to pay annual license fee, together in accordance with conditions and requirements stipulated by the NBTC.
- A subsidiary has entered into the Standard Definition Terrestrial Digital Television Network Services agreement with Organization of Thailand Public Broadcasting Services (TPBS) for operation digital television for 15 years and had obligated to pay service fees as stipulated in the agreements. The subsidiary has submitted bank guarantee at 5% of total contract amount to the TPBS.

40.3 Contingent liabilities

As at 31 December 2020 and 2019, the Group had contingent liabilities with the local banks as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Performance and retention bond, guarantee	21.78	21.07	-	0.29
Advance payment guarantee	-	0.05	-	-
Electricity supply and communication	0.42	0.42	-	-
	22.20	21.54	-	0.29

41 Significant claims and legal litigations

As at 31 December 2021 and 2020, the Company and the subsidiaries have been sued by, with the plaintiff demanding the Company to pay for the damage caused by alleged copyright violation and breach of contract in the amount of Baht 40.03 million and Baht 31.27 million. As at the date of auditor’s report, this issue is still being adjudicated. From management’s assessment, there is an uncertainty that the Company has an obligation to pay for the liability. Therefore, the management has not recorded related provision in consolidated and separate financial statements.

42 Subsequent events

- 42.1 On 7 February 2022, one of its subsidiaries entered into the business purchase agreement with a company at the price of approximately Baht 877.6 million, which is approved by the Board of Directors’ meeting No. 7/2021 on 17 December 2021.
- 42.2 At the Board of Directors’ meeting No. 1/2022 held on 25 February 2022, it passed a resolution to propose to the Annual General Meeting of Shareholders for the year 2022 to approve dividend payment from retained earnings at the rate of Baht 0.35 per share and will be paid in May 2022.

Attachment



No.	Name-Surname/ Position	Age	Appointment Date	Type of Director	Education Background	Shareholding (%)	Relation among Family with Other Directors and Management	Working Experience for the last 5 years			Training	“Directorships in other companies that are not owned by the RS Public Company Limited”
								Period	Position	Company		
1.	Mr. Surachai Chetchotisak - Chairman - Chairman of the Executive Committee - Chief Executive Officer	59	15 January 2003	Authorized Director / Executive Director	Honorary Doctorate of Marketing, Chandrakasem Rajabhat University Bachelor of Political Sciences, Ramkhamhaeng University	Myself : 23.65% Spouse and minor children - None-	None	14 November 2012 - Present 2003 - Present 1992 - Present	Chairman Chairman of the Executive Committee Chief Executive Officer	RS Public Company Limited RS Public Company Limited RS Public Company Limited	Director Accreditation Program (DAP) Year 2003	Director, Chetchotisak Co.,Ltd. Director, Membership Co.,Ltd. Director, Tiger Fun Co.,Ltd. Director, Chetchot Co.,Ltd. Director, Soaring Tiger Co.,Ltd. Director, Golden Tiger Co.,Ltd. Director, 9 companies owned by RS Public Company Limited
2.	Mrs. Pornpan Techarungchaikul - Director, Executive Director - Chairman of the Risk Management Committee - Company Secretary Chief Commercial Officer	51	21 April 2004	Authorized Director/ Executive Director/ Company Secretary	Master of Business Administration (MBA), Sasin Graduate institute of Business Administration of Chulalongkorn University Bachelor of Statistics, Chulalongkorn University	Myself : -None- Spouse and minor children - None-	None	15 October 2019 - Present 2011 - 11 November 2020 2010 - Present 2008 - Present 2007 - 14 October 2019 2004 - Present	Chief Commercial Officer Chairman of the Corporate Governance Committee Chairman of the Risk Management Committee Company Secretary Chief Operating Officer Director and Executive Director	RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited	Director Certification Program (DCP) Year 2007 / Director Accreditation Program (DAP) Year 2004 / Executive Development Program 4/2009 (EDP 4) Thai Listed Companies Association / Advanced Master of Management Program 4/2016 (AMM) Capital Market Academy	Director, 5 companies owned by RS Public Company Limited
3.	Mr. Wittawat Wetchabutsakorn - Director, Executive Director - Chief Financial Officer - Corporate Governance and Sustainable - Development Committee - Risk Management Committee	43	31 January 2020	Authorized Director/ Executive Director	Master of Business Administration (MBA), Northeastern University, Boston, USA Master of Science in Finance (MSF), Northeastern University, Boston, USA Bachelor of Business Administration (B.B.A.) International Program, Chulalongkorn University	Myself : -None- Spouse and minor children - None-	None	12 November 2020 - Present 3 February 2020 - Present 31 January 2020 - Present 2018 - 2020 2017 - 2018 2014 - 2016	Chairman of Corporate Governance and Sustainable Development Committee and Member of Risk Management Committee Executive Director and Chief Financial Officer Director Group CFO/ Vice President of Finance Director, Structured Finance Director, Corporate Finance & Treasury	RS Public Company Limited RS Public Company Limited RS Public Company Limited EQUATOR SOLAR CAPITAL COMPANY LIMITED and ENSERV HOLDING CO.,LTD. Minor International Public Company Limited Thoresen Thai Agencies Public Company Limited	CFO's Orientation Course for New IPOs Class 4 (Orientation 12 hours), Thailand Securities Institute (TSI), The Stock Exchange of Thailand / CFO's Course for TFRS 2020 by Dharmniti Seminar and Training Co.,Ltd. / 6 hours of continuous knowledge development training in accounting Course “2136 TFRS Effective 2020 (Newest)”(Summary of Key Points from the Revised Financial Reporting Standards for 2020), Dhamaniti Traning and Seminar Company Limited on 17 January 2020 / “Summary of Important Information and Useful Topics in TFRS for PAEs and Changes in 2021” course, Thai Listed Company Association (TLCA) / TLCA CFO Professional Development Program (TLCA CFO CPD) No. 4/2021 topic “How finance leaders are adapting within the new normal”, Thai Listed Company Association (TLCA) / TLCA CFO Professional Development Program (TLCA CFO CPD) No. 8/2021 topic “The modern CFO : Driving Digital Transformation of the Finance and Accounting”, Thai Listed Company Association (TLCA) / TLCA CFO Professional Development Program (TLCA CFO CPD) No. 9/2021 topic “ESG related Financial Innovation”, Thai Listed Company Association (TLCA)	Director, 5 companies owned by RS Public Company Limited
4.	Mr. Danaisidh Peslapunt - Director - Member of the Risk Management Committee - Chief Legal Officer	66	30 July 2008	Authorized Director	Thai Barrister at Law from The Institute of Legal Education Thai Bar Association Bachelor of Law from Ramkhamhaeng University Certificate of International Trade, Institute of Legal Education Thai Bar Association Certificate of Tax Law, Institute of Legal Education Thai Bar Association	Myself : -None- Spouse and minor children - None-	None	1 Feb 2017 - Present 1 Feb 2017 - 11 Nov 2020 2015 - Present 2008 - Present 2007 - 2015 2012 - 2014 1997 - 2007	Member of the Risk Management Committee Member of the Corporate Governance Committee Chief Legal Officer Director Executive Vice President - Central Legal Office Member of the Nomination and Remuneration Committee Law Consultant	RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited	Director Certification Program (DCP) Year 2008 / Director Accreditation Program (DAP) Year 2008 / Financial Statements for Directors (FSD) Year 2008	Director, 2 companies owned by RS Public Company Limited
5.	Mr. Sorat Vanichvarakij Director	48	14 November 2012	Director	Master of Business Administration (MBA), Asian Institute of Technology (AIT) Bachelor of Marketing Business Administration, Assumption University of Thailand (ABAC)	Myself : 10.08% Spouse and minor children - None-	None	2012 - Present 2000 - Present	Director Chief Executive Officer	RS Public Company Limited Pan Asia Industrial Company Limited	Director Certification Program (DCP) Year 2013	Chief Executive Officer, Pan Asia Industrial Company Limited

	Mr. Surachai Chetchotisak	Mr. Danaisidh Peslapunt	Mrs. Pornpan Techarungchaikul	Mr. Wittawat Wetchabutsakorn	Mr. Sorat Vanichvarakij	Mr. Phisit Dachanabhirom	Mrs. Wansuda Thanasaranart	Mr. Supakit Assawachai	Ms. Kunchanya Karuhadej
1) RS Public Company Limited	x //	/	/ //	/ //	/	/	/	/	*
2) RS Mall Co., Ltd (Formerly: Lifestar Co., Ltd.)	x /			/					
3) R.S. Television Co.,Ltd.									
4) Thai Copyright Collection Co., Ltd.									
5) Lifestar Co., Ltd. (Formerly: RS Mall Co., Ltd. And Buntoeng Variety Co., Ltd.)	x /		/						
6) Coolism Co., Ltd	x /	/	/						
7) Yaak Co., Ltd	x /		/						
8) RS International Broadcasting and Sports Management Co., Ltd	x /		/						
9) RS Travel Co., Ltd. (Formerly: Goodlife Group Co., Ltd.)									
10) R Alliance Co., Ltd. (Formerly: RSX Co., Ltd.)	x /	/		/					
11) Idea Power Co., Ltd									
12) Fourth Apple Co., Ltd.	x /			/					
13) Chase Asia Co., Ltd. (associated companies)	/			/					
14) RS Plan B Co., Ltd	x /		/	/					

Remarks:
x Chairman / Director // Executive Director * Executive

No.	Name-Surname/ Position	Age	Appointment Date	Education Background	Shareholding (%)	Relation among Family with Other Directors and Management	Working Experience for the last 5 years			Training	“Directorships in other companies that are not owned by the RS Public Company Limited”
							Period	Position	Company		
1.	Ms. Nuansong Limpanaruk - Director of Accounting and Supervising Accounting	50	1 December 2006	Bachelor of Accounting, Bangkok University	Myself : -None- Spouse and minor children - None-	None	1 December 2006 - Present	Director of Accounting and Supervising Accounting	RS Public Company Limited	TFRS 9 (7 hours) / CFO's Refresher Course (7 hours) by the Stock Exchange of Thailand) / How new TFRS effect to financial statements (7 hours) / Professionals Management (12 hours) Online Training by Federation of Accounting Professions (FAP) / TFRS 16 Practice / Transfer Pricing / TFRSs Financial Instruments / Anti-Corruption Practical Guide Traning (ACPG) 2019 (16 hours) / New Financial Reporting Standards in 2019 and 2020 (4/2019 : 6 hours) / TFRS 2020 (TAS 12, TAS 19, TAS 23, TAS 28, TFRS 1, TFRS 3, TFRS 9 and TFRS 11) (7 hours) / Conceptual Framework for Financial Reporting Standards (3 hours) / PwC Thailand's 2019 Symposium : A close look at recent legal and tax developments (6 hours) / TFRS Year 65 (Generation 2) / Financial Reporting Standard No. 16 Leases / Accounting for revaluation of assets and liabilities / TFRS 15 Real Estate Business / In depth accounting law and correct practices	None

Attachment 2 : Details of Directors in Subsidiaries Companies

Details of directors of subsidiaries and related company As of 31 December 2021		
Company	Director ¹	Director ²
Subsidiary Company		
1) RS Mall Co., Ltd. (Formerly: Lifestar Co., Ltd.)	Mr. Surachai Chetchotisak Mr. Wittawat Wetchabutsakorn	
2) R.S. Television Co., Ltd.		Ms. Nongluk Ngamroj / Mr. Suphan Suahan
3) Thai Copyright Collection Co., Ltd.		Mr. Supan Sueharn Mr. Prawate Jiwattanachowlitkul
4) Lifestar Co., Ltd (Formerly: RS Mall Co., Ltd. and Buntoeng Variety Co., Ltd.)	Mr. Surachai Chetchotisak Mrs. Pornpan Techarungchaikul	Mr. Noppadol Likhitsajjakul
5) Coolism Co., Ltd.	Mr. Surachai Chetchotisak Mrs. Pornpan Techarungchaikul Mr. Danaisidh Peslapunt	Mr. Prinn Muensuksaeng
6) Yaak Co., Ltd.	Mr. Surachai Chetchotisak Mrs. Pornpan Techarungchaikul	
7) R Alliance Co., Ltd. (Formerly: RSX Co., Ltd.)	Mr. Surachai Chetchotisak Mr. Danaisidh Peslapunt Mr. Wittawat Wetchabutsakorn	
8) RS Travel Co., Ltd. (Formerly: Goodlife Group Co., Ltd.)		Mr. Prawate Jiwattanachowlitkul Ms. Thitiyaporn Ngamsang
9) RS International Broadcasting and Sports Management Co., Ltd.	Mr. Surachai Chetchotisak Mrs. Pornpan Techarungchaikul	
10) Fourth Apple Co., Ltd.	Mr. Surachai Chetchotisak Mr. Wittawat Wetchabutsakorn	Mr. Tanon Tanakornprapa
11) RS Plan B Co., Ltd.	Mr. Surachai Chetchotisak Mrs. Pornpan Techarungchaikul Mr. Wittawat Wetchabutsakorn	Mr. Palin Lojanagosin Mr. Pinijsorn Luechaikajohnpan Mr. Arnon Porndhiti

Remarks:

1) Director is the executive of RS Public Company Limited

2) Director is not the executive of RS Public Company Limited

Details of directors of subsidiaries and related company As of 31 December 2021		
Company	Director ¹	Director ²
Associated Companies		Mr. Supan Sueharn Mr. Prawate Jiwattanachowlitkul
1) Idea Power Co., Ltd.		
2) Chase Asia Co., Ltd.	Mr. Surachai Chetchotisak Mr. Wittawat Wetchabutsakorn	
Related Company		Ms. Malee Chetchotisak Mrs. Chanapa Chetchotisak Mr. Suwat Chetchotisak Ms. Thidarat Chetchotsak Ms. Marisa Chetchotisak Mrs. Nareerat Limprasert
1) Chetchotsak Co., Ltd.	Mr. Surachai Chetchotisak	
2) Membership Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Sucheera Chetchotisak Mr. Chet Chetchotisak Mr. Chot Chetchotisak
3) Tiger Fun Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Sucheera Chetchotisak Mr. Chet Chetchotisak Mr. Chot Chetchotisak
4) Chetchot Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Sucheera Chetchotisak Mr. Chet Chetchotisak Mr. Chot Chetchotisak Ms. Waleewan Rojjanapakdee
5) Soaring Tiger Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Sucheera Chetchotisak Mr. Chet Chetchotisak Mr. Chot Chetchotisak
6) Golden Tiger Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Sucheera Chetchotisak Mr. Chet Chetchotisak Mr. Chot Chetchotisak

Remarks:

1) Director is the executive of RS Public Company Limited

2) Director is not the executive of RS Public Company Limited

Attachment 3 : Details of Head of Internal Audit and Head of Compliance

RS Public Company Limited Details of Head of Internal Audit As of 31 December 2021

No.	Name-Surname/ Position	Age	Appointment Date	Education Background	Shareholding (%)	Relation among Family with Other Directors and Management	Working Experience for the last 5 years			Training	“Directorships in other companies that are not owned by the RS Public Company Limited”
							Period	Position	Company		
1.	Mr. Prot Jaisuwan - (CPA) Internal Audit Director of the Internal Audit Department	39	1 March 2021	Master of Science (MS) in Technology Management, University of Illinois at Urbana-Champaign, USA Bachelor Degree of Business Administration (BBA) in Accounting, Assumption University Certified Public Accountant (CPA), Thailand	Myself : -None- Spouse and minor children - None-	None	Mar 2021 – Present Nov 2016 – Feb 2021	Internal Audit Director Assistant Corporate Director, Internal Audit Office	RS Public Company Limited Premier Fission Capital Company Limited (Premier Group of Companies)	Risk Management Plan by Thai Institution of Directors (IOD) / Business Continuity Management by National Institute for Productivity (NIP) / A Practical Guide of Anti-Corruption by Collective Action Coalition against corruption (http://www.thai-cac.com) / Executive Development Program by Sal Forest (http://www.salforest.com) / Innovation Management Certificate Program by Institute for Knowledge and Innovation, Bangkok University	None

RS Public Company Limited Details of Head of Compliance As of 31 December 2021

No.	Name-Surname/ Position	Age	Appointment Date	Education Background	Shareholding (%)	Relation among Family with Other Directors and Management	Working Experience for the last 5 years			Training	“Directorships in other companies that are not owned by the RS Public Company Limited”
							Period	Position	Company		
1.	Mr. Poonyavee Chaiyarungsakul - Assistant Director of Company Secretary	44	14 May 2021	Master of Executive MBA Program (EMBA), NIDA Business School Bachelor Degree of Business Administration (BA), Srinakharinwirot University	Myself : -None- Spouse and minor children - None-	None	May 2021 – Present March 2019 – April 2021 April 2016 – February 2019	Assistant Director of Company Secretary Assistant Company Secretary Company Secretary, Senior Manager of Office of President and Head of Legal	RS Public Company Limited WHA Corporation Public Patkol Public Company Limited	Company Secretary Program (CSP 53/2013) by Thai Institute Of Directors (IOD) / Anti-Corruption: The Practical Guide (ACPG 30/2016) by Thai Institute Of Directors (IOD) / Effective Minute Taking (EMT 38/2017) by Thai Institute Of Directors (IOD) / Board Reporting Program (BRP 26/2018) by Thai Institute Of Directors (IOD) / CSR for Corporate Sustainability (3/2016) by The Stock Exchange of Thailand (SET) / Strategic CSR Management (2/2017) by The Stock Exchange of Thailand (SET) / Supply Chain and Stakeholder Engagement (2/2017) by The Stock Exchange of Thailand (SET) / Corporate Social Initiatives for Sustainable Development (2/2017) by The Stock Exchange of Thailand (SET) / Sustainability Risk and Materiality Analysis (2/2017) by The Stock Exchange of Thailand (SET) / CSR Evaluation and Data Management (2/2017) by The Stock Exchange of Thailand (SET) / Sustainability Reporting (2/2017) by The Stock Exchange of Thailand (SET)	None

Attachment 4 Business Assets and Details on Asset Valuation

Property Used in the Business

Property used in the business operations of the Company and its subsidiaries is detailed as follows:

1) Office Building

Location	Ownership	Rental & Service Fee/Month (million baht)	Obligation
27 RS Group Bldg. Tower A-C, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900, Thailand Total space of 26,327 sq.m.	RS and subsidiaries made rental agreement for 3 years (Feb'20 - Feb'23)	13.13	Nil

2) Equipment

Type	Ownership	Book Value Year 2021 (million baht)	Obligation
1) Studio recording and broadcast equipment	Owner	177.13	Nil
2) Furniture,fixtures and office equipment	Owner	350.67	Nil
3) Software and operational equipment	Owner	147.87	Nil
4) Motor vehicles	Owner	14.92	Nil

3) Warehouse

Location	Ownership	Rental/Service Fee/Month (million baht)	Obligation
1) 9/101 Moo 5, Phaholyothin Road, Klong 1, Klongluang, Pathumthani Total space of 1,200 sq.m.	RS's subsidiaries made rental agreement for 1 year (July'21 - Jun'22)	0.21	Nil
2) 9/102 Moo 5, Phaholyothin Road, Klong 1, Klongluang, Pathumthani Total space of 1,200 sq.m.	RS's subsidiaries made rental agreement for 1 year (May'21 - Apr'22)	0.21	Nil
3) 9/253-256 Moo 5, Phaholyothin Road, Klong 1, Klongluang, Pathumthani Total space of 2,932.50 sq.m.	RS's subsidiaries made rental agreement for 5 years (Sep'19 - Aug'24)	0.50	Nil

4) Concession and Radio Leases

Station	Station Owner	Contract Term
F.M. 93.0 MHz	Navy Radio Station	Jan 1, 2020 - Dec 1, 2021

Remark * The lease is currently extended to January 1, 2022 - December 31, 2023.

5) Broadcast Transmission Service Agreement

One of its subsidiaries has entered into a broadcast transmission service agreement and other related services are as follows:

Service Providers	Contract Term
1) Office of The National Broadcasting and Telecommunications Commission	Ends Jun 16, 2028
2) Thaicom Public Company Limited	Sep 11, 2021 - Sep 30, 2024
3) TC Broadcasting Company Limited	Sep 11, 2021 - Sep 10, 2024
4) Symphony Communication Public Company Limited	Apr 1, 2021 - Mar 31, 2022
5) PSI Broadcasting Company Limited / S R K Multimedia Public Company Limited (Sublease)	Nov 1, 2021 - Jan 31, 2022

License for Operation Rights in Spectrum of Digital Television

R.S. Television Co., Ltd., a subsidiary of the Company, is permitted to operate the television business, providing digital television services as a national level service business in the general category with standard definition. The license from the Board of the Office of the National Broadcasting and Telecommunications Commission (NBTC) number B1-S20031-0012-57 at the bidding price of 2,265 million baht (exclusive of VAT) is valid for 15 years from April 25, 2014 to April 24, 2029.

Later, the Order of the National Council for Peace and Order no. 4/2562 (2019) dated April 11, 2019 waived the last 2 installments of license fee, resulting in a decrease of fee from 2,265 million baht (exclusive of VAT) to 1,511 million baht (exclusive of VAT). R.S. Television Co., Ltd. paid up the license fee since 2019.

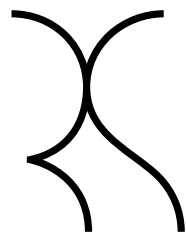
Policy on Investments in Subsidiaries and Associated Companies

The Company has a policy to make investments in subsidiaries or associated companies, in businesses directly related to the Company’s core business or in other businesses that can be connected to its core business, built on, and can contribute to the core business. The emphasis has been on investments in businesses that have good potential, showing positive trends for future growth and the capacity to generate a good return on investments. The investments will take into consideration the best interest of the Company and its shareholders. Still, the Company has also complied with the Notification of the Capital Market Supervisory Board on Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended) and the Notification of the Securities and Exchange Commission on Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets (as amended). That is, by investing in such businesses, the Company will focus on making investments in appropriate percentage, in such a manner that enables the Company to take part in managing and setting guidelines for business operations in such subsidiaries and associated companies.

Attachment 5 Good Corporate Governance Policy and Code of Conduct

Code of Conduct and Good Corporate Governance Policy, please find the Company's website topics of Resource Center / Policies & Corporate documents at the link of the Company attached herewith: https://www.rs.co.th/category/policies_corporate_documents/





RS GROUP