

Form 56-1

One Report 2020



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Part

1 | Business Operations



1. Corporate Group Structure and Business Operations



1) Corporate Group Structure and Business Operations

1.1) Policy and Overall Business Operations

RS Public Company Limited (“RS” or “Company”) was established in 1976, starting from a comprehensive music business. Later, it was converted into a public company, listed on the Stock Exchange of Thailand in 2003 with a registered capital of 560 million baht. The Company subsequently changed its name to “RS Public Company Limited”. As of December 31, 2020, the Company’s issued and paid-up capital was 972,496,946 shares, with a par value of one baht. The Company has expanded continuously since its music business days, going into radio and television media and event business. Since April 2014, the Company has adapted its existing “Channel 8”, which originally aired on the satellite TV system, to a standard-definition digital TV instead. In the same year, the Company has started to sell health and beauty products, advertising them through the Company’s television and radio media platforms, including product launches online and via modern retail stores. Also, 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. From 2018 to 2019, the Company continued to develop and expand its distribution channels through the Company’s commerce business. Also, it collaborated with various digital TV channel partners to offer a wide variety of products for both health and beauty, as well as personal appliances and household products, including various high-tech products or gadgets. The Company also developed and increased its telemarketing teams to be able to analyze customer data accurately and support the increase of over 1.6 million customers. In 2020, The Company represented one of the companies that rapidly adapted in response to the Covid-19 situation, developing health-related products to meet changing customer behavior and transforming the “RS Mall” brand into a platform that offers products and services that promote good health and longevity with quality living in accordance with the slogan “Adding Happiness to Every Life”. The Company also aimed to develop online sales through the “COOLanything” platform. In addition, RS introduced information technology systems throughout the organization, which included developing comprehensive customer data analysis and call center systems.

1.1.1) 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 receptive to change and use it to create business opportunities by focusing on market leadership, continual investment in the business to sustain the commerce business with Entertainmerce Model and expansion to related businesses. The contribution from new businesses is to increase significantly, strengthening the Company’s total revenue.”

1.1.2) Significant 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 sells both its own products and that of its partners. This includes establishing a system to analyze customer data and a telemarketing system through “RS Mall” and “COOLanything” brands. The Company also continuously expands its distribution channels to be more diverse for both itself and its partners.

Overview of the Business Operations of the Company and its Subsidiaries

At present, the Company’s main business operations are divided into 3 groups, which are the commerce business, media business and music and other businesses. The commerce business commands the highest proportion of income, conducting its activities under RS Mall Company Limited and Lifestar Company Limited to sell health and beauty products, personal appliances and household goods, high-tech products or gadgets. Distribution is conducted through the media channels of the Company, including television media, with Channel 8 being a leader in the digital TV group under R. S. Television Company Limited, radio media through the station COOLfahrenheit; online channels; and modern retail stores. In addition, the Company has invested through various subsidiaries (The details are shown in the Shareholding structure part)

1.2) Business Description

At present, the Company has 3 main core businesses which consist of Commerce, Media, and Music & Other businesses.

1.2.1) Revenue Structure

Type of Revenue	2018		2019		2020	
	Amount (million baht)	Share in Total Revenue (%)	Amount (million baht)	Share in Total Revenue (%)	Amount (million baht)	Share in Total Revenue (%)
Commerce business	2,126.8	56	2,012.4	56	2,381.8	63
Media business	1,344.7	35	1,069.2	30	1,148.7	30
Music & Other business	355.2	9	529.5	14	244.2	7
Total Revenue	3,826.7	100	3,611.1	100	3,774.7	100

1.2.2) Products Information

Commerce Business



1) Types of Products

The commerce business operates under Lifestar Company Limited (“Lifestar”) and RS Mall Company Limited (“RS Mall”), both subsidiaries of RS. The operating model includes “Lifestar” which is a product designer and developer, hiring Original Equipment Manufacturers (OEMs) to produce both health and beauty products. Such products are grouped into categories, with skin care products under “Magique” brand, hair care under “Revive” brand, food supplement products under “S.O.M.” brand and bird's nest products under "Reju" brand. Lifestar focuses on producing innovative products based on the “Science of Body & Mind” concept that uses science as the basis for researching products to meet the healthcare needs of consumers; the emphasis is on addressing and solving issues with one solution, to create dietary supplements of international standards. Moreover, at the end of 2020, Lifestar launched a dietary supplement brand called “Vitanature+”, featuring 5 types of products that focus on herbal extracts that are beneficial to the body, with easy-to-understand properties, to reach more consumers. Also, the market positioning and prices are cheaper than the S.O.M. brand, making the products suitable for the Covid-19 situation in the past year, where consumers have turned to taking better care of their health while also being more conscious of their spending. For the production of each type of product, Lifestar

has collaborated with domestic and international research institutes and manufacturers to create quality products that meet the needs of customers. Product manufacturing begins with analyzing market data in conjunction with research by leading laboratories and testing facilities by working together with Lifestar. Also, it includes collecting data from customers directly through the Company's telesales system. This provides an understanding of the trends and needs of the overall market as well as the needs of consumers before the development of each type of product. Before and during the distribution of products through the Company's sales channels, including the "RS Mall" and "COOLanything" platforms, online marketplace and the modern trade retail stores, there will be regular random checks of product quality by delivering components for inspection to the laboratory.

The main sales channels of the commerce business are operating under RS Mall through both offline and online platforms. This is a platform that sells products and services to enhance health and promote good health and wellbeing. Product quality and standards are backed by certification from the Food and Drug Administration, enabling consumers to live a comfortable, happy and healthy life. Products include those for health, beauty and fashion; electrical appliances; home goods; and animal food - from Lifestar as well as partners who own the products directly, with a total of more than 200 items. There will be random inspections of the products before they are delivered to the warehouse and when they leave the warehouse to be sent to the consumer.

Over the past year, RS Mall has broadened the variety of its advertising, offering different products for each type of content and time frame. The expansion in both offline and online channels include: 1) the Company's own offline media, namely, Channel 8, as well as digital TV channels that are partners of the Company, like Workpoint TV, Amarin TV and the RS Mall channel via satellite television, that can reach over 5 million viewers per day; 2) the Company's online media platforms, including www.rsmall.co.th and LINE SHOP through @RS Mall which has followers with over 650,000 accounts, as well as other leading online platforms such as Shopee and Lazada; and 3) should customers wish to order products and services, they can utilize the telesales and/ or digital marketing channels. For the latter, the Company has continuously developed a telesales system to support this customer base, which has grown to more than 1.6 million customers at the end of 2020. With the capacity for in-depth customer data analysis in various dimensions, adding to customer analysis based on the number of repeat orders, it has been possible to analyze customer data accurately to better fulfill their needs and cater to their

lifestyles. This includes improving the skills and capabilities of the outbound call center team to be able to present products that customers need and efficiently close sales as well as using Predictive Dialing System or PDS technology to enhance the outbound call center system for maximum contact results. It helps in reducing the calls that are not picked up, calls that are busy or calls that go into voicemail. In 2021, the Company will continue to develop the PDS system, to call all 1.6 million customers with the most efficiency.

In addition, RS Mall recognizes the importance of existing customers who are loyal to the brand, and have added a team of Customer Relationship Management (CRM) to take care of VIP customers. This creates satisfaction among and strengthens loyalty of such customers to the RS Mall brand, and increases the number of repeat orders. Other efforts include the development of the marketing and campaign teams through sales and marketing activities throughout the year such as “RS Mall New Year Celebration 2020”, “RS Mall Mega Cashback”, “RS Mall Mid Year Super Sale”, “Happy Mom with Love from My Heart”, “RS Mall 1st Anniversary Celebration with 3 Free”, and “Flash Sale” promotion to stimulate customer spending through a selection of products that meet specific needs during the Covid-19 situation, where customers pay more attention to their health and stay at home most of the time.

In 2020, another channel that the Company focuses on that aligns with the behavior of urban dwellers who like online shopping, in addition to selling and advertising products through the COOLfahrenheit radio media, the Company launched a new mode of shopping through the COOLISM Application under the COOLanything menu. Listeners are able to listen to music and shop online at the same time with a unique IP address (UIP) on a platform of more than 1.8 million UIPs per month, over 60 percent of which are urban dwellers with an average age that is less than those who access media via a television screen. This is another factor where the commerce business will be able to increase and broaden its customer base.

The Company uses outsourcing to deliver products to its customers. 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 percent of customers choose to pay cash on delivery.

2) Marketing and Competition

The year 2020 marks the year that the Thai retail market was impacted by the Covid-19 situation from both the lockdown measures and the continuous weakening of consumer purchasing power. The Kasikorn Research Center expects retail sales to decline by 6.0 percent, compared to the same period last year at a market size of 4 to 5 trillion baht. The government has offered measures to support both operators and the public, such as a “half-off” measure to help bolster the retail market in the last quarter of 2020 and divert revenue to the traditional trade such as small retail stores, local convenience stores and “blue flag” subsidized goods shops.

However, the Covid-19 situation has affected the retail business model, which is expected to change in the future. Consumers picked up new behaviors and habits as part of the New Normal, especially the buying of more products online and being comfortable buying new groups of products such as food and consumer products in this channel as well. The various behaviors will likely persist in the long run after the Covid-19 situation subsides. The said change has caused retailers, whether modern retailers or SMEs, to revise and adjust their business strategies to more quickly embrace the online market. This reflects the fact that selling through brick and mortar stores alone may not be enough to generate income or make their investments worthwhile. Retailers may have to choose a platform that is suitable for their products and able to meet the needs of target customers. Also, providing quality service, from convenience and security of payment to speed of delivery that impresses consumers remains a key factor for marketing of the online channels.

According to the President of the Thai e-Commerce Association, Covid-19 served as the catalyst for more growth in the Thai e-Commerce market’s value in 2020. It is expected that 2020 will have a growth rate of 35 percent and the market value is expected to be around 220 billion baht, which is more than in 2019 at 163.3 billion baht. The online channel with high growth was Social Commerce; it was found that Thai consumers shopping online through this channel accounted for up to 38 percent and the trend is likely to increase. This has made this channel more attractive from various platforms such as LINE, pushing LINE Shopping to grow, while aiming to become the number one social commerce platform in the future.

At the end of 2020, over 90 percent of revenue from RS's commerce business came from advertisement and distribution through the Company's offline media. In terms of competition, the Company can be considered as having no direct competitors. Customer buying behavior through the aforementioned channels, given their satisfaction and decision to purchase products based

on the products' features, pricing and promotions that meet their immediate needs. In addition to the viewers and listeners, including music fans and program fans who access the Company's media, show that RS's media is different from that of other companies. However, at the same time, the Company did not cease to develop online sales channels, which can be seen from the increase in online sales channels, including creating promotions, building customer engagement to be relevant and also reaching more online customers in each channel.

3) Procurement of Products or Services

The Company, in collaboration with the domestic and international research institutes, invented important ingredients that comprise each product. Once a vital ingredient or extract is obtained, it is produced by leading national manufacturers. Some products that are sold through RS Mall and COOLanything are owned by the Company's partners who are contracted to produce quality products.

Media Business

1) Types of Products

RS media business consists of 2 major media channels including Television and Radio.

Television Media Business

The Covid-19 pandemic in 2020 has significantly affected advertising spending on satellite TV channels. This has caused RS to terminate its satellite TV business and focus only on Chanel 8 Digital TV business, whose ratings have been among the top, by using the following model and target groups.



Channel 8

TV Channel 8, under the slogan "Everyone is watching Channel 8, Press 27", offers programs that respond to the requirements of most groups of viewers in Thailand. The concept is to be a free TV channel that is accessible to viewers of different genders and age groups. It offers a variety of programs that serve as magnets to draw audience to the channel, such as boxing

programs, especially Muay Thai or Thai Boxing. This includes Muay Thai with top ratings such as “Muay Thai Super Champ”, “Muay Hardcore” that are different from others for their use of MMA punching mitts, “Muay Mon Channel 8” and “Naksu Chao Sang Vien”. Moreover, in 2020 Channel 8, with its new business alliance, organized “Thai Fight”, an international Thai boxing tournament that has taken Thai boxing to the global level. As for 2020 Thai drama series, the number of contents dropped from the previous year as a result of less advertising spending on all forms of media during the Covid-19 outbreak. It was a result in the rerun programs in order to control production cost. There are new drama series including “Ruensaisawad”, “Pob Pee Jao”, “Sapai Mai Rai Sakdina”, “Pootratikarn” and “Khum Sab Lum Kong”. The focus was still on production of quality dramas with themes such as dramatic, fantasy, mystery and people’s beliefs. News programs with the slogan “Channel 8 news, easy to understand and reliable”, more news anchors were brought in to offer news programs with different styles during different time slots, such as “Kui Khao Chao Rung Arun”, “Kui Khao Chao”, “Khao Den”, “Khao Yai”, “Kui Khao Yen” and “Koh Tid Khao”. Channel 8 also offered news reports on people’s livelihood, complaints/concerns raised about various issues, recommendations of places for food tours and popular attractions to visit, such as the program “Pak Tong Dong Ru”. In the entertainment category, Channel 8 offered several variety shows such as “Krua Lan Thung”, “Eung Teung Siew”, “Zab 108”, “Rueang Wow Lao Lok”, “Chied”, “Nai Ja Tas Ma Laew” and “The Price is Right Thailand”. These shows were presented by using the Entertainmerce Model through a combination between content and commerce program, thus allowing the audience to keep on enjoying the shows. Channel 8 can maintain a leadership ranking from a survey by AGB Nielsen Media Research (Thailand) throughout 2020.

The key policy of Channel 8 is to generate revenue by using the four-legged chair strategy, instead of relying on commercials as the only source of revenue. By implementing this strategy, Channel 8 can generate revenue from 4 sources: selling commercial airtime to external customers; selling commercial air time to RS Mall to boost commercial business; selling existing contents and new contents; and event tie-ins. As a result of its strategy in 2020, revenue of Channel 8 increased, coupled with cost reduction and content remake with a pilot project called “Romantic Blue the Series” by using an old film copyrighted by RS. The content licensing was sold to business partners abroad to be released on Over-the-top (OTT) platforms.

2) Marketing and Competition

The television media industry competes for viewers and advertising spending is more intense than in the past. The Office of the National Broadcasting and Telecommunications Commission (NBTC) terminated the licenses of 7 digital TV channels, resulting in 15 remaining channels. However, this does not reduce competition in the business as it is still concentrated among the leading channels. Channel 8 reflects a channel with extensive experience in television media, having been engaged in the satellite TV business. The Company has the knowledge and capability, continuously producing good quality works that draw audiences. It is still being affected by the slowdown in the overall media industry, although the number of TV viewers in the past 5 years has not changed much. As the media industry continued to remain sluggish, especially during the Covid-19 pandemic, the advertising spending via television media decreased by 10 percent from 2019. Still, it was the media with the highest advertising spending, accounting for 59 percent of the overall advertising spending.

The current high competition among operators, along with the economic slowdown, has caused advertising spending to be quite limited, with some budgets shifting to online media advertising. To be able to survive in this industry, operators must produce outstanding programs that are interesting and relevant to the needs of the target group. They must also apply proper cost management of their program productions, an extremely important factor. Another thing that cannot be ignored is to put out interesting content on online media at the right time, which can be another source of income.

The intense competition resulted in rich and diverse content on digital TV, which in turn made the viewership of satellite TV decrease. This has caused RS to terminate its satellite TV business. Nevertheless, as the cost of satellite TV is not high, compared to that of digital TV, and an attraction to diverse and unique viewers, the Company therefore considered renting satellite TV channels for use in commercial business under the name of RS Mall Channel which a 24-hour sale of RS Mall products.

For the marketing strategy, in addition to setting clear target audience groups, and designing and producing quality programs, the Company has also leveraged its competitive advantage. Used as a key component in the production of programs, Channel 8 will focus on an audience aged 35 years and up because this is still the main audience watching television programs which is a mass market with high purchasing power. To combine with the strength of a team that is experienced in the production of television programs, the production results are of

high quality and receive good feedback. This is enhanced with the flexible structure in management and cost management, including using the company's staff in some of the production processes, employing external personnel (outsourcing) and using the same personnel in the operations. Managing the cost of television media is going as planned, and the Company can focus on quality as well, in order to be accepted and trusted by both the audience and customers. While analysis of the needs of the target audience helps to develop the format of the programs to match the needs of the audience and customers, and raise the popularity of the programming, another important component is that the production quality must satisfy the audience and customers, including services both before and after sales, such as responding to customer needs quickly and precisely, listening to and solving problems for customers, creating a pack for selling advertising to meet the needs of customers and maximizing their benefits, etc.

3) Procurement of Products or Services

The Company has signed contracts with various personnel. It has also selected employees, from the front end to the back end, that are capable, skilled and accepted by the target customer group. For front end staff, there is a focus on artists and performers in the RS network, but independent performers and artists are also selected. As for production process, the Company's team handles the formatting and production management. While production is handled by the Company's employees to one extent and contract productions are also employed. The Company maintains partners who are leading domestic and international companies to help continuously select new and interesting programs for local audiences.

Radio Media Business

1) Types of Products



COOLISM engages in the radio media business through the radio frequency system of F.M. 93.0 MHz under the brand COOLfahrenheit, through online channel at www.COOLISM.net and mobile platform via COOLISM application, with the following details:



Radio Station	COOLfahrenheit
Concessioner	Navy Radio Station
Airtime	24 hours
Signal Coverage	Bangkok and vicinity, and through online and mobile channels nationwide
Program Concept	Music Lifestyle Content
Target Audience	Urbanista, aged between 18-44 years

COOLfahrenheit follows a digital transformation strategy. The brand does not only associate itself with the FM Analog channel, but also to a digital platform. It maintains a radio platform in a hybrid format. The Company continues to operate a full range of commerce radio businesses, with continued emphasis on maintaining popularity. At present, COOLfahrenheit, under the concept “Music Lifestyle Content”, has been able to retain a nationwide audience base; its popularity among listeners has made the station number one among its target audience continuously for almost two decades. As such, customers of advertising companies and product owners remain confident in continuing to utilize the advertising media of the Company.

COOLfahrenheit, a station that offers international-style Thai music for urbanistas aged 18-44 years in Bangkok and its suburbs as well as major cities nationwide, boasts a combined offline and online viewership of over 3.7 million people per month. Also, it represents a station that enjoys the highest amount of regard and recognition from its audience. It is the first station to create the phenomenon of continuously presenting the most popular music; every song has been carefully selected from survey results provided by real listeners. In addition, the professional COOLJ team with distinctive personas is popular with listeners, and there have been activities organized to resonate with the lifestyles of and continually broaden the listener group of young working people. Signature activities include COOL Outing that, for 16 consecutive years, awards big prizes to winners by taking the whole office out to travel and relax in popular tourist destinations both in the country and abroad; and Ink Eat All Around, an event for foodies that takes people to sample delicious food both locally and internationally, backed by ML Pasan Sawasdiwat. The events have been a favorite of the target audience for 11 years. Along with COOL Music Fest, a music festival for Gen Y, these activities have continuously made COOLfahrenheit the number one music station

in the international-style Thai music radio program category, according to a survey by Nielsen Media Research (Thailand) from 2002 to the present.



From the “3-River” strategy reduces a dependence on the earnings from one channel, and as the radio advertising market in 2020 decreased by 24 percent compared to 2019, the source of the second stream has become the organization of events and concerts through COOLive. This has gained popularity, trust and confidence from both audiences and sponsors. Working with the Company's music agency, one concert was organized in the past year due to the Covid-19 situation; however, in 2021, there are plans to hold more concerts from the second quarter onwards.



COOLanything is a business unit that works in conjunction with the Company's commerce business, 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. There are more than 1.8 million unique IP address (UIP) per month on the platform, and over 60 percent of them are urban dwellers. It is important to feature products that meet the preferences of this group, as well as offer products that are different from those in other commerce channels of the Company.

2) Marketing and Competition

Marketing and competition in the radio media business remains high due to lower advertising spending, causing customers to mainly choose to purchase advertising media with a station that is highly popular. At the same time, pricing strategy is also important to their decision making process. The Company has thus taken its strength as the number one-rated station as a CPM strategy or Cost per Thousand, which allows for the comparison of the ratio of listeners and the cost of advertising per unit. This presents cost-effectiveness and allows customers to use media with maximum efficiency, reaching the most targeted audiences. In addition, new media

sales bundle packages have been created under the COOLISM brand, which fully encompass both On Air, Online and On Mobile.

Marketing Strategy

1) "Value for Money" strategy

Creating the most benefit for the customer's existing advertising spending in a sales package format includes the selling of advertising time and marketing and promotional activities, making the investment worthwhile.

In addition, the Company has designed packages that reach a target audience in either the FM Analog and digital platforms, covering target groups across the country to meet the media buyer's needs of advertising media which tends to use digital media and increasing online as well.

2) Strategy of promotional activities

The radio media business has become intensely competitive for those who want to create unique programming that adds value for the radio station and the customers as well as for the products featured in various promotional activities. Advertising alone is not sufficient to meet the needs of the customers, and to build the brands of the Company. For this reason, the Company has improved its implementation strategy to focus on the promotion of a strategic partnership with partners in various fields by participating as a media partner in an event or a concert with the same target group. This also results in added value of the products in the promotional activities that are done between the show and the audience. As for the promotional activities, the Company will focus on activities that can provide quality information and entertainment to the event participants. At the same time, the activities should be able to effectively fulfill the customers' marketing policies. They should also be clear and appropriate for the target audience, and ultimately enable the Company to generate another income stream for the customer.

In addition, the Company also leverages its advertising and public relations departments to publicize the activities of COOLfahrenheit and its clients, to become widely known and accepted via press releases and advertising in other media, such as online media and television contents.

3) Strategic planning of advertising services

The personnel of the Company have been in the radio segment for a long time; they possess good knowledge and understanding of the radio media business. They can advise customers on how to plan for the management of the best quality media as well as how to purchase

advertising time or advertising packages that suits their purposes and listeners. The Company can plan special ad hoc activities to meet customer needs and accommodate any shortcomings in each type of product. The Company maintains a policy of partnership with each product that supports a program, which factors into advertising planning to glean the most value from the services of the Company.

3) Procurement of Products or Services

The Company has created a new generation of radio hosts; each must increase their potential and capacity. In particular, they must have basic knowledge of marketing, know how to use technology and social media to achieve maximum benefit. They must also be able to carry the program in line with the expectations of the target audience. Currently, the hosts of the Company must have the skills to facilitate on ground promotional events and accommodate special promotional events of customer's advertisement program and the Company's commerce products.

In addition, the Company has chosen to use a computer system to control the broadcast automation technology to meet international standards. The software is also constantly updated to be modern, and the broadcasting quality of FM radio systems and digital platforms can be accessed from all types of devices.

Music Business

1) Types of Products



The music business of RS with the concept of "borderless music" is comprehensive, covering every format. The business focuses on working without borders, to create content that is varied and meets the needs of the artist, market and target group through a media strategy, marketing, artist management and song content management in terms of the artist and song through both online media such as streaming, social media and downloads; and offline media such as television, events and showbiz. Also, it is expected to raise the value for artists under

“Music Star Commerce” model. By the end of 2020, the Company launched 2 new labels, RoseSound and Kamikaze, to promote 9 new artists which is to link them as business partners to the Entertainmerce business model.

Main revenue sources of music business operation

1) Revenue from events and showbiz of the artists under the label reflects a strategy for event sales and artist showcases throughout the year. It is also a way to extend the image of the artist in terms of being a brand ambassador or presenter for a variety of goods and business extension with partners through artists’ social media channels.

2) Revenue from the sales of music products in various formats through digital content, both in terms of music played by streaming through various platforms such as JOOX, Spotify, listening to music and watching online music videos through platforms such as YouTube and AIS play, downloading songs and ring tones via the mobile phone; or downloading full songs from other channels like iTunes or via wireless application protocol (WAP).

3) Revenue from copyright collected and embarked upon special projects with business alliances. In 2020, in exclusive collaboration with Joox, RS reinterpreted its old songs by using popular artists to create new contents. In addition, revenue from copyright collected by a Thai copyright collection Co., Ltd. (TCC), a subsidiary that serves to store the Company’s copyrighted works used in a commercial capacity.

Artist/Singer

At present, the Company has artists and singers with good potential under the RoseSound, Kamikaze and RSiam brands, which is part of the strategy to tackle the changing media landscape and adapting target groups. RS’s singers have acting talents and added value for further business development. These include single singers and group of singers who have the caliber to perform in various styles to reach all target groups nationwide. Several of them have great potential and can encourage to be under the Music Star Commerce business in the future.

Examples of artists from 3 music labels include new artists from RoseSound; Risa, Tim, Danumarc and Mewsic talented in trendy music, from Kamikaze; Gracy, KKP, Utter and Freshybii focusing on pop music that is popular among teenagers, and from RSiam introducing mass music led by Rome RSiam together with existing artists such as Baitoey, Kratae, Ble Patumrach, Lulu Lala RSiam, Tanya RSiam and Aof Dokfa RSiam. In addition to their singing talents, each of these

singers must have a unique lifestyle and characteristics suitable for marketing and creating a huge fan base.

2) Marketing and Competition

Currently, consumers have different behaviors when it comes to listening to music, compared to the past. The important factors for the shift are the use of the internet and the widespread increase of smartphone usage, which have both gotten consumers to listen to music online through various websites or social media, increasingly so through their smartphones. There has also been a lot of artists and singers who release their works online, which has created more competition.

As such, the Company must impart importance to the music business and lay plans that respond to the target groups as well as use social media that changes according to the preferences of the target groups. These areas of focus will help to reach consumers quickly and align with the respective lifestyles of each target group. The Company continues to concentrate on new sources of revenue from the artists and special projects.

3) Procurement of Products or Services

A policy was set 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 to be modern and always appeal to all target groups, consideration was given to artists with distinguished lifestyles, not those with only singing talents. Also in place was a policy to produce works in appropriate 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.

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 26,348 sq.m.	RS and subsidiaries made rental agreement for 3 years (Feb'20 - Feb'23)	13.09	Nil

Remark: In January 2020, RS and subsidiaries made rental agreement (June 2018 - January 2020) at 419/1-3 and 203/18-20, 34-36 Soi Ladphrao 15, Ladphrao, Chatuchak, Bangkok

2) Equipment

Type	Ownership	Book Value Year 2020 (million baht)	Obligation
1) Studio recording and broadcast equipment	Owner	215.00	Nil
2) Equipment records	Owner	2.30	Nil
3) Software and operational equipment	Owner	137.55	Nil

3) Warehouse

Location	Ownership	Rental/Service Fee/Month (million baht)	Obligation
1) 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'20 - Apr'21)	0.21	Nil
2) 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

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	Dec 20, 2019 - Sep 10, 2021
3) TC Broadcasting Company Limited	Dec 20, 2019 - Sep 10, 2021
4) Symphony Communication Public Company Limited	Apr 1, 2019 - Mar 31, 2020
5) PSI Broadcasting Company Limited / S R K Multimedia Public Company Limited (Sublease)	Nov 1, 2019 - Oct 31, 2021

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.

1.3) Shareholding structure**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.

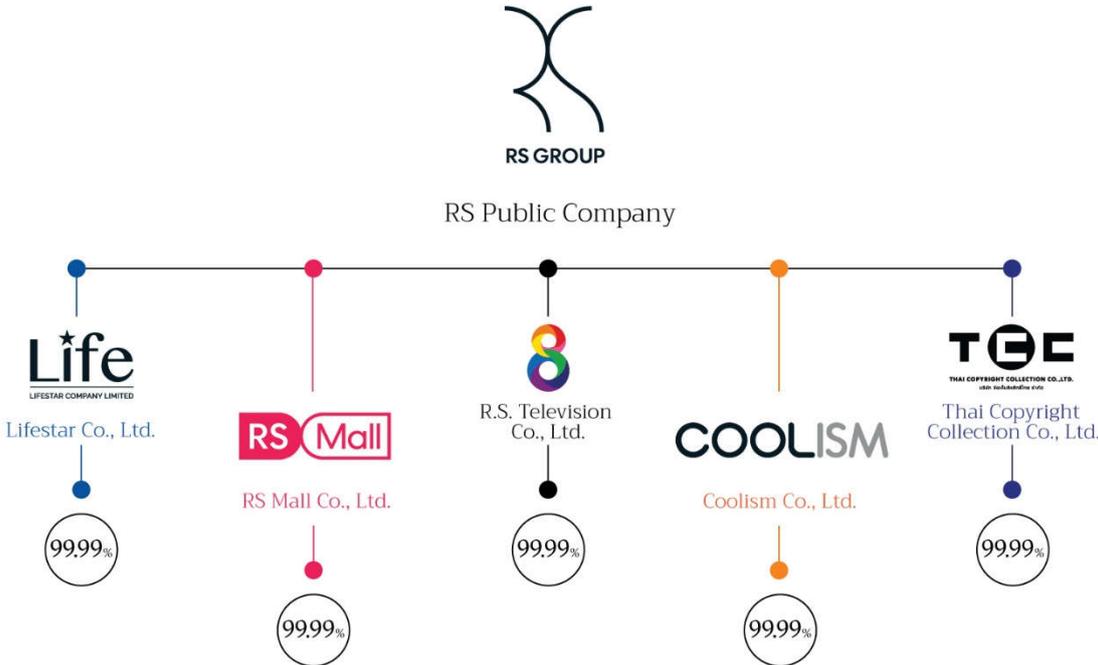
Policy on Division of Business Operations of Companies in the Group

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.

Subsidiaries Owned and Operated by the Company

- Lifestar Co., Ltd. (99.99%) operates commerce business
- RS Mall Co., Ltd. (99.99%) operates commerce business
- R.S. Television Co., Ltd. (99.99%) operates digital television business
- Coolism Co., Ltd. (99.99%) operates radio business
- Thai Copyright Collection Co., Ltd. (99.99%) operates copyright collection

1.3.1) The Company's Investment Structure



Remark:

- The percentage shown is the percentage of RS's investment in each company.
- The remaining shareholders of subsidiaries that are not owned 100 percent by the Company are not related to the Company.
- The temporarily suspended subsidiaries consist of R. S. Sportmaster Co., Ltd., RS International Broadcasting and Sports Management Co., Ltd., R Alliance Co., Ltd., Yaak Co., Ltd. and Goodlife Group Co., Ltd.
- R Alliance Co., Ltd., changed its name to RSX Co., Ltd since December 21, 2020 to operate event marketing and organizer and investment in Thailand.

1.3.2) Shareholders

The list of 10 major shareholders as of the latest record date on January 29, 2021, has the following details:

No.	Name-Surname	No. of share (shares)	Percentage of Shareholdings (%)
1)	Chetchotisak Group*	220,327,364	22.66
2)	Mr. Sorat Vanichvarakij	98,000,000	10.08
3)	Srivaddhanaprabha Group**	95,000,000	9.77
4)	Thai NVDR Company Limited	69,913,336	7.19
5)	Bangkok Bank PCL	50,331,900	5.18
6)	Mr. Pongsa Pairatvej by KTB Securities (Thailand) PCL	47,974,900	4.93
7)	The Hongkong and Shanghai Banking Corporation Limited	41,500,000	4.27
8)	Ms. Patteera Pairatvej by KTB Securities (Thailand) PCL	24,163,100	2.49
9)	BTS Group Holdings PCL***	17,000,000	1.75
10)	Kasikorn Securities PCL (LNS)	16,940,000	1.74

Remark:

* Chetchotisak Group including

1) Mr. Surachai Chetchotisak holds 220,200,000 shares (22.64%)

2) Mr. Chet Chetchotisak holds 127,364 shares (0.01%)

** Srivaddhanaprabha Group including

1) Ms. Aroonrung Srivaddhanaprabha holds 47,500,000 shares (4.884%)

2) Mr. Apichet Srivaddhanaprabha holds 47,500,000 shares (4.884%)

*** BTS Group Holdings PCL, listed on the Stock Exchange of Thailand, operates mass transit, real estate development, media and service businesses.

List of major shareholders who, according to their conducts, were able to assert their influences towards the management policy and operation procedure of the Company significantly.

Shareholding groups or shareholders who owned over 10 percent and holding position as the Company's director or sending representative as the Company's director.

1.4) Registered Capital and Paid-up Capital

As of December 31, 2020, the Company has the registered capital of 1,161,997,216 baht including 1,161,997,216 ordinary shares at one baht par value. The Company has the paid-up capital of 972,496,946 baht including 972,496,946 ordinary shares at one baht par value.

1.5) The Issuance of Other Securities

Warrant of RS Public Company Limited Series 3 (RS-W3)

RS Public Company Limited Warrants Series 3 (“RS-W3”) was approved to trade on the Stock Exchange of Thailand since June 1, 2017. The details are as follows:

Type of securities	Warrants to purchase ordinary shares of RS Public Company Limited Series 3 (RS-W3)
Secondary market	The Stock Exchange of Thailand
Number of offering warrants	193,332,760 units
No. of new ordinary shares reserved for exercise of warrants	193,332,760 shares
Warrant issuer	RS Public Company Limited allocated to existing shareholders whose names appeared in the shareholder register book on April 18, 2017 in accordance with Section 225 of Securities and Stock Exchange of Thailand Act B.E. 2535 (1992) regarding the closing method of the shareholder register book and determining the rights of the shareholders on April 19, 2017 at a ratio of 5 existing ordinary shares to 1 unit of warrant with no cost
Right of warrant	1 unit of warrant to 1.0047 ordinary share at exercise price of 12.4419 baht (Exercise ratio before adjustment is 1 unit per 1.0028 ordinary share and the exercise price before the adjustment is 12.4658 baht per 1 ordinary share. The Board of Directors' Meeting No. 4/2562 (2019) approved payment of interim dividends during that time. Such payments required the Company to adjust the exercise price and ratio per Clause 4.2 (Jor) of Terms, Conditions and Obligations of the Warrants Issuer and Warrant of RS

Public Company Limited Series 3 (Terms & Conditions) . In addition, the Board of Directors' Meeting No. 3/2563 (2020) approved the interim dividend for the year ended December 31, 2019 of 0.10 baht per share and already paid interim dividend from consolidated retained earnings for the period ended June 30, 2019 of 0.20 baht per share, totaling 0.30 baht per share, accounted 79.90 percent of 2019 consolidated's net profit after tax. The Company shall not adjust the exercise price and exercise ratio of R3- W3 because they did not meet the criteria stated in the Terms & Conditions. The adjustment of the exercise price and exercise ratio of R3-W3 was allowed when the Company's dividend payment exceeds 80 percent of the net profit after income tax. Therefore, the 6th and the 7th exercise price and exercise ratio of R3-W3 remained unchanged at the exercise price of 12.4419 baht per share and exercise ratio of 1 unit of warrant to 1.0047 ordinary share.

Type of warrant

Transferable named certificate

Tenor

3 years from the warrant's issue date

(The issue date was on May 24, 2017 and the final exercise date was on May 23, 2020. However, the final exercise date fell on a holiday, it was moved back to one business day before the exercise date, which was on May 22, 2020. As a result, on May 23, 2020, the warrants lost its listing status.)

Offering price of warrant

0 baht per unit (zero baht)

Exercise period

Warrant holders can exercise the right on the last business day of April and October of each year until the end of tenor of warrants. The first exercise date was on October 31, 2017 and the last exercise date was on May 23, 2020.

The Details of Warrant of RS Public Company Limited Series 3 (RS-W3) are as follows:

Detail	Number of exercised warrants (Person)	Amount (Unit)
No. 1 October 31, 2017	4	209,746
No. 2 April 30, 2018	1	1,800
No. 3 October 31, 2018	- None -	-
No. 4 April 30, 2019	7	5,602,622
No. 5 October 31, 2019	1	1,000
No. 6 April 30, 2020	- None -	-
No. 7 May 22, 2020	6	1,738

There are the right of exercised warrant of 5,816,906 units and unexercised warrants of 187,515,854 units. The final exercise date was on May 22, 2020, as a result, the warrants lost its listing status on May 23, 2020.

Share Repurchase Program

The Board of Directors Meeting of the Company No. 6/2562 (2019) on December 18, 2019 had approved the share repurchase program for financial management purpose with the following details;

Share Repurchase Program	
Maximum amount for share repurchase	Not exceeding 200,000,000 baht
Number of shares to be repurchased	Not exceeding 15,000,000 shares (equivalent to 1.54 percent of the total issued shares)
Share repurchase period	Within 6 months (since January 2, 2020 to July 1, 2020)

The share repurchase program approved by the Company's Board of Director has been completed on March 9, 2020. The Company repurchasing shares amounted to 15,000,000 shares or 1.54 percent of the total paid-up capital. The total payment made was 160,158,220 baht.

1.6) Dividend Payment Policy

The Company and its subsidiaries will pay a dividend not less than 50 percent 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	2018	2019	2020
The right to receive dividend (shares)	972,496,946	972,496,946	957,496,946*
1) Net profit attributable to the parent (Consolidated) (baht)	516,039,530	363,343,967	528,278,160
2) Earning per share (baht/share)	0.53	0.37	0.55
3) Total dividend payment (baht/share)	0.45	0.30	Omitted dividend
3.1) Interim dividend payment (baht/share)	0.25	0.20	Omitted dividend
3.2) Final dividend payment (baht/share)	0.20	0.10	Omitted dividend
4) Dividend payout ratio** (%)	84.31	79.90	-

Remark: *After deducting the share repurchase of 15,000,000 shares.

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

2. Risk Management



2) Risk Management

2.1) Policy of Risk Management

The Meetings of the Board of Directors No. 8/2563 (2020) and the Audit Committee No. 5/2563 (2020) on December 15, 2020 reviewed, revised and approved in writing, the Company's risk management policy and followed up on the Company's risk management in 2020. Details are as follows.

Risk Management Policy

1) All directors, executive members, employees and business units are risk owners and are responsible for assessment, follow-up and provision of support for having in place an efficient risk management process.

2) Every business unit of the company must develop a risk management process that includes a risk assessment and a systematic and ongoing follow-up system. The process must be regularly revised, at least once a year, to be appropriate for the change in the business environment.

3) Risk assessment must be included in every department's yearly plan, with regard to the overall risks of the organization, by taking into consideration internal and external risk factors. An appropriate risk management process must be defined.

4) The Risk Management Committee has the duty to assess the existing risk management process and report to the Board of Director, together with their comments.

5) Corporate culture must be developed to establish a common understanding and increase risk awareness. Knowledge-based information must be accessible to employees of all levels to explore and share their experiences. This will eventually lead to the development and improvement of the risk management process, making it one of the efficient mechanics for strategic management.

2.2) Risk Factors

2.2.1) Operational Risk

Risks from Relying on Product Manufacturers

The Company has reputable partners for production and distribution for its commerce business. In terms of the products of the Company itself, the Company determines the active ingredients used as well as the overall product properties, working together with local and

international leading research institutions. This includes manufacturers in the development of production formulations and processes. However, the manufacturer will procure the raw materials and oversee the whole process. In cases where a manufacturer has an issue where they cannot produce such products for the Company, resulting in the Company being unable to deliver products on time or according to the needs of customers, and if this concerns a product under an affiliate brand, which may cause problems and the manufacturer is unable to deliver the products according to the quantity or quality that the Company requires, which may affect the overall operating results of the Company.

The Company has a policy to manage such risks. By distributing its orders to many leading manufacturers in the country, the Company does not rely on only one manufacturer, while engaging in efforts to build good relationships with new manufacturers that are fully qualified. This allows the Company to negotiate with the manufacturers and be able to control the product costs more effectively. As for the partner, the Company will randomly check the quality of the product regularly, including having plans between each party to prepare enough products for each sale.

Risks from Health and Beauty Products Expiring

Production orders of health and beauty products must be in large quantities to reduce cost. Inventory levels must be maintained adequately for further distribution to retailers throughout the country. Due to these necessities, the Company has risk of losing products to expirations. On average, most health and beauty products can last up to 3 years. In cases where consumer trends change, or the Company is in its stages of higher growth and plan to expand our product line. The Company must offer new products continuously to the market, it is important to research trends before creating a product. Research helps with analysis, accurate sales forecasts, and market trends. It is important to keep track of product expiration dates as well as managing stock appropriately. If a product will expire within 18 months and there is a slow-moving rate, the products will be reconsidered by management for a marketing campaign and promotions to liquidate the products as soon as possible.

Risk from Impact of Other Non-Standard Products in the Market

Manufacturers and distributors of non-standard health and beauty products have caused consumers to be negatively affected by such counterfeit goods. Also, it created panic among consumers, leading to some misunderstandings about all products in the market. The Food and

Drug Administration has thus implemented intensive monitoring and detection measures that help weed out non-quality products from the market.

On the part of the Company, we have widely shared public relations advertisements, to communicate the quality of the Company's products to consumers, including the fact that they are produced from reliable sources and that the Company sources quality products continuously in order to guarantee that customers use quality products that cater to every aspect of their needs. It is vital for consumers to maintain trust in the Company's products and make repeated product purchases.

Risk from Intense Competition in Television Media Business

The television industry is faced with intense competition in terms of incumbents scrambling for ratings as well as advertising budgets and the constantly changing behavior of television program viewers. An accessing other content via online channels is considered to be another risk factor for this business. Also, in 2020, people faced global hurdles such as the Covid-19, which caused 45 - 50 percent of the advertising budgets to disappear from the market. At the same time, it inevitably creates additional operational costs - both in terms of health monitoring during work and for offsite work that cannot have more than 50 people at the same time. In the past year, competition posed a major challenge, and it was not just with the same business partners as in the past; rather, it has been a race against oneself to find a way out of a global crisis. The price war strategy that all television channels have used in previous years was no longer a solution in a market with almost no advertising funds. It has been about management and controls of production costs to be in balance with income and ratings, while also gaining the attraction from the audience.

Channel 8 has adjusted its strategy by adding new income-generating channels, bringing out new and old content, which is considered an important asset, and presenting them to new partners like domestic and international service providers through Over-the-top (OTT) platform. Also, while the Covid-19 epidemic raged on, many people have had to work from home - this makes them more likely to watch television during non-prime times. Therefore, the Company supported the creation of a '4-legged chair' strategy of Channel 8, to increase revenue by more than one channel, including: 1. advertising sales (media sponsor); 2. advertising sales to RS Mall through the production of entertainmerce model; 3. selling licenses for use of copyrighted content; and 4. organizing events.

Risk of Technological Advancement

Technology influences the lives of people all over the world. As a result, people's communication behavior will change rapidly as technology advances. Connectivity and access to news and entertainment information is at one's fingertips, and people today can readily seek information as well as produce information for others to access by themselves. Information spreads quickly through the Internet to the electronic device in everyone's hands. This is important, as the role of the television program has to change in order to support social media. The Company is well aware of the change, and adapts to the new technology in order to create opportunities for communicating with audiences across all channels. However, another key factor in social media growth includes regulatory controls imposed by the government, which is likely to intensify. It is still in the beginning stage so offering information via social media channels has been relatively free, with fewer limits than television media which is under supervision of the National Broadcasting and Telecommunications Commission (NBTC). As such, in the near future, the government must issue regulations to more clearly regulate social media. Business operations through this channel may then be more supervised, such as the requirement of a business license, collection of business operating fees, controlling program content.

The Company has constantly adjusted its business plan to reflect the changing behavior of consumers, conducting its business with caution and in accordance with the rules and regulations of the law, including feasibility studies of the various options involving public sector supervision in order to adapt and keep pace with every situation that may arise.

Risk of Copyright Infringement

Throughout the years, the music industry has been primarily affected by various forms of copyright infringement. The digital transformation has resulted in the downloading of songs from unauthorized websites; the use of music content to generate income for stores, restaurants and karaoke businesses, including the organization of various events and concerts; and the use of content for commercial purposes or for personal entertainment via online channels. These said copyright infringements have caused the income of the music sector to not reflect the actual consumption.

The Company realizes the importance of addressing problems that arise, and have worked to find solutions by constantly reviewing new business plans to be flexible, appropriate and up-to-date, such as having a plan to accommodate changes and accurately meet the needs of each customer, using sales strategies tailored to consumer behaviors, and adjusting the sales

approach to suit the current market conditions as well as be appropriate for the nature of the media or various distribution channels, both at present and in the future. This includes the development of internal work systems to support the various streaming systems currently available in the market, as well as those that may emerge later. There is also a dedicated agency responsible for the prevention and suppression of copyright infringement that received cooperation and support from the government in terms of law enforcement to take action against business operators who engaged in copyright infringement of the Company's work, including public relations campaigns to inform customers and operators that use any copyrighted work to respect the rights and pay royalties in return. From the aforementioned measures, the Company expects that it can significantly reduce the impact of the risk of copyright infringement.

Risk of the Covid-19 pandemic

Since the beginning of 2020, the Covid-19 pandemic has affected all sectors around the world - including consequences that cannot be predicted, which affects the Company in terms of its business strategy and work plan, and the safety and occupational health of its employees. The Company has implemented measures and practices to prevent the spread of the Covid-19 for the safety and occupational health of its employees as well as visitors. In addition, the Company has also been affected in the part of its television business, where advertising spending has dropped considerably due to many businesses adopting cost-saving measures. Advertising in relation to the purchasing power of consumers has declined due to the persistent effects of Covid-19 and the concerns that the situation will be prolonged. The commerce business has also been affected; should there be no continuous adaptation, there is the risk of impact from consumers who tend to make purchasing decisions slower and buy fewer goods in order to reduce their daily living costs.

However, with the situation of working from home for many companies as well as government campaigns to keep people at home to reduce the chance of infection or transmission of the virus, many people have been spending more time at home. This reflects an opportunity for the television business, which has attempted to earn additional income from the aforementioned '4-legged chair' strategy. The commerce business is no exception; they have regularly adjusted the sales model to meet the needs of customers and expanded the sales platform by not relying on branches or storefronts for sales and responding to lifestyle changes, like ordering online or via TV screens instead of shopping in traditional department stores.

2.2.2) Regulatory Risk

Risks from Announcements on Regulations from the NBTC

The Company operates television business in the digital terrestrial television and the satellite television business. The television business is considered a mass communication business that is very influential to the people as people can reach and receive information thoroughly more than any other mass media channels, hence, business operations of the television business is essentially operated under the laws. The NBTC is the regulatory authority that issues guidelines in order to control and supervise television operators in a setting with free and fair competition. It also oversees ethical standards and protects consumers, so they gain benefits and not be taken advantage of by operators. For example, this covers the supervision of program content to be of quality suitable for the target group, classification of programs for the protection of children and youth, advertisement, promotion and protection of the rights of the disabled to access, recognize and utilize the programs. Also, the NBTC has the duty to develop and promote the television broadcasting and telecommunication businesses in Thailand, so that they have sufficient capacity to support rapid technological development. As such, the NBTC continuously revises the rules and regulations to be suitable for the issues of all operators in each time period. This includes revising the spectrum management plan that has been modified to restore certain frequency bands, so that reallocation is more suitable and beneficial than before.

It complies with national policies and plans for digital development for the economy and society, as well as with national strategy and country reform plans. As such, the various regulations for controlling the television business of the Company are not fully established and the subsequent impact they would have on the business operations of the Company, reflecting the risk factors for the business. The Company appoints legal department to oversee the related rules and regulations from the NBTC and be aware of any changes that may affect the Company's business operation.

Risks from Concession for Radio Business

Normally, the leasing period for the radio station's broadcasting is about 2 years, if the leasing time has not been extended, it will result on impacts on the broadcasting continuity and the Company's revenue. This will include risk on any changes in the contract conditions which may result in the inferior condition from original contract. Moreover, searching for the new radio

broadcast's airing time as replacement may result in losing business continuity, and in building similar popularity rating as the previous program, or may cause higher cost as well.

However, the Company truly believes that due to its continuously producing good quality performances and receiving high popularity with constant listeners' base group, including as an important business operator who abides with standard payment and strictly conforms to payment conditions on airing time as well as on building good relationship with the concession provider, the Company will receive some trust and, thus, reduce some risk that may happen during concession renewal. Nevertheless, the Company will consider value of the concession renewal by comparing with investment cost. If the concession renewal does not benefit the Company, investment on concession renewal may not be considered. However, the Company was approved a renewal of the concession for 2 years which will end in 2021. And since December 20, 2016, the order by National Council for Peace and Order, using Article 44 of constitution of The Kingdom of Thailand extends the same right and control of frequencies for radio broadcasting which ended in 2017 for another 5 years. The Company realizes the radio business will benefit by the Order, this results in no change of concession cost and rights of use of radio broadcasting.

Risks from Enforcement of Personal Data Protection Act

As the Personal Data Protection Act that will take effect in 2021 is a broad and non-specific law, they mostly include measures requiring individuals who will collect, use or disclose personal information to keep personal information concise and up to standards. This is considered to be a precautionary measure before any damages to personal information can occur. In addition to the penalties under the Act, the court is required to calculate and impose punitive damages to punish those who collect or use personal data without consent or violate this Act, whether intentionally or negligently, and to make them pay damages to the owner of the personal information.

The Company realizes the importance of complying with the Act. By studying the information, planning the work and proceeding in accordance with the law, the Company is confident that it will be able to accurately and completely comply with the law.

2.2.3) Financial Risk

Risks of Financing for Business Plan Implementation

The implementation of the business plans and strategies of the Company for expansion, investment and business acquisitions requires a lot of capital in a very short time, which affects

the success of the business expansion.

As such, the Company has planned an annual budget and investment plan to assess the amount and size of transactions required, and the source of funds for business expansion. The likelihood of success of opportunities and projects are continuously assessed, and the Company has contacted and negotiated with many financial institutions to support the implementation of such plans. Also, funding channels have increased through the capital market. In 2020, the Company has been completed the Company's credit rating, and can thus raise capital by issuing debentures to investors and not solely rely on financial institutions. In addition, there is a reserve fund from financial institutions to adequately manage the Company's liquidity issues.

3. Sustainability Development



3) Sustainability Development

Message from the Chairman and Chief Executive Officer



The year 2020 represents another year that the Company must operate its business in a challenging setting due to severe changes in the economy, the environment, society and corporate governance. The spread of the Covid-19 has been a particular obstacle as it poses a new challenge to life, leading to the now-familiar term "New Normal" or "new way of life" and giving way to trends like the New Normal online shopping trend. The latter meets the needs of comfort and convenience, having quick access to information at all times and effectively reducing contact. Of course, changing global trends are closely accompanied by tough competition. However, the

Company believes that in the midst of a crisis, opportunities arise for development into a better future.

The Company is aware of the need to participate in sustainable business enhancement and development through elevating its operations in all areas, such as:

- Generated growth despite the variety of challenges of the past year. The performance of RS's commerce business grew every quarter; additional income was generated from the entertainment business; investment was made in other companies and financial preparations with many financial institutions. The Company was also rated, which supports the finding of new funding sources and continuous business expansion.

- Participated in the "Sustainability Reporting Quality Promotion Program for Listed Companies 2020" to show commitment to transparent and accountable disclosure of operational information, which is good for investors and the general public. They are able to access information and follow the Company's operations in terms of the economy, the environment, society and corporate governance.

- Organized inspiring activities for the community and society through the "Happy Balance Project", which is an activity that promotes a good quality of life in all aspects, including eating well, being well in mind and body. A range of sports equipment was given away, adding happiness to 12 communities surrounding the Company's office.

- Participated in "Old for New Paper Exchange Project" with business partners through the "Paper Merci" activity that encourages employees to learn about and understand how to separate used paper and send as much back into the recycling process as possible. There was also a change in the outbound packing boxes to a "green packaging" design to help reduce the use of production resources, costs and effects of global warming.

The cooperation of employees and management at all levels who are committed to the development of the Company in every way, with the best interests of all stakeholders throughout the business value chain in mind, will lead the Company on the path of continuous and sustainable growth.

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

About the Report

The Company has prepared this sustainability development report for the first time to demonstrate our commitment to accurate and transparent disclosure of important information and sustainable development results to our stakeholders. The contents cover operations in the areas of the environment, society and corporate governance that occurred within the past year, from 1 January to 31 December 2020.

Guidelines for Preparing Reports

This Sustainability Report 2020 discloses information per the guidelines of the 19 sections of the Sustainability Assessment Framework of the Stock Exchange of Thailand in the One Report format. It is compiled in accordance with the reporting framework of the Global Reporting Initiative G4: GRI. It covers indicators related to key sustainability issues, which are attached at the end of the report for quick and easy reference.

In addition, the Company recognizes the importance of the Sustainable Development Goals (SDGs), and have considered and applied these goals in the formulation of its strategies, with the aim of growing in accordance with the guidelines and goals that have been set. This progress is disclosed in the report, as well.

Scope of the Reports

From considering the business relevance data availability and the main performance of the Company, Both in the reporting year and business trends within the next 3 years. Therefore, the scope of the reports has been set to mainly cover commercial businesses and an important part of the subsidiaries businesses or secondary businesses disclose in the Company reports.

Other

Download “Sustainability Development Report for the Year 2020” in the Form One Report at: <http://ir.rs.co.th/th/downloads/yearly-reports>

Contact Person about the Sustainability Development Report: Ms. Rattapawee Lapnan
“Investor Relations and Sustainable Development Department”

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Evaluating and Identifying Sustainability Issues

Sustainability is an issue that has significant positive and negative impacts on the decision making processes, operations and performance of the Company. It also affects stakeholders in the short, medium and long term, covering environmental, social and corporate governance issues.

Assessment Process

1) Selection of issues

The Corporate Governance and Sustainable Development Committee is responsible for the assessment and selection of sustainability issues. They consider risks to the Company, business strategies, impacts and expectations of stakeholders, as well as the Company's sustainability management guidelines and international sustainable development trends.

2) Determining the scope of the report

The scope of each issue is determined by taking into account the impact it has on the Company's business operations and on all stakeholders, both internal and external.

3) Assessment of the level of importance

Selected issues will be grouped by importance, taking opportunities and effects on the Company and all stakeholders into consideration. The report's content focuses on the issues of highest importance first.

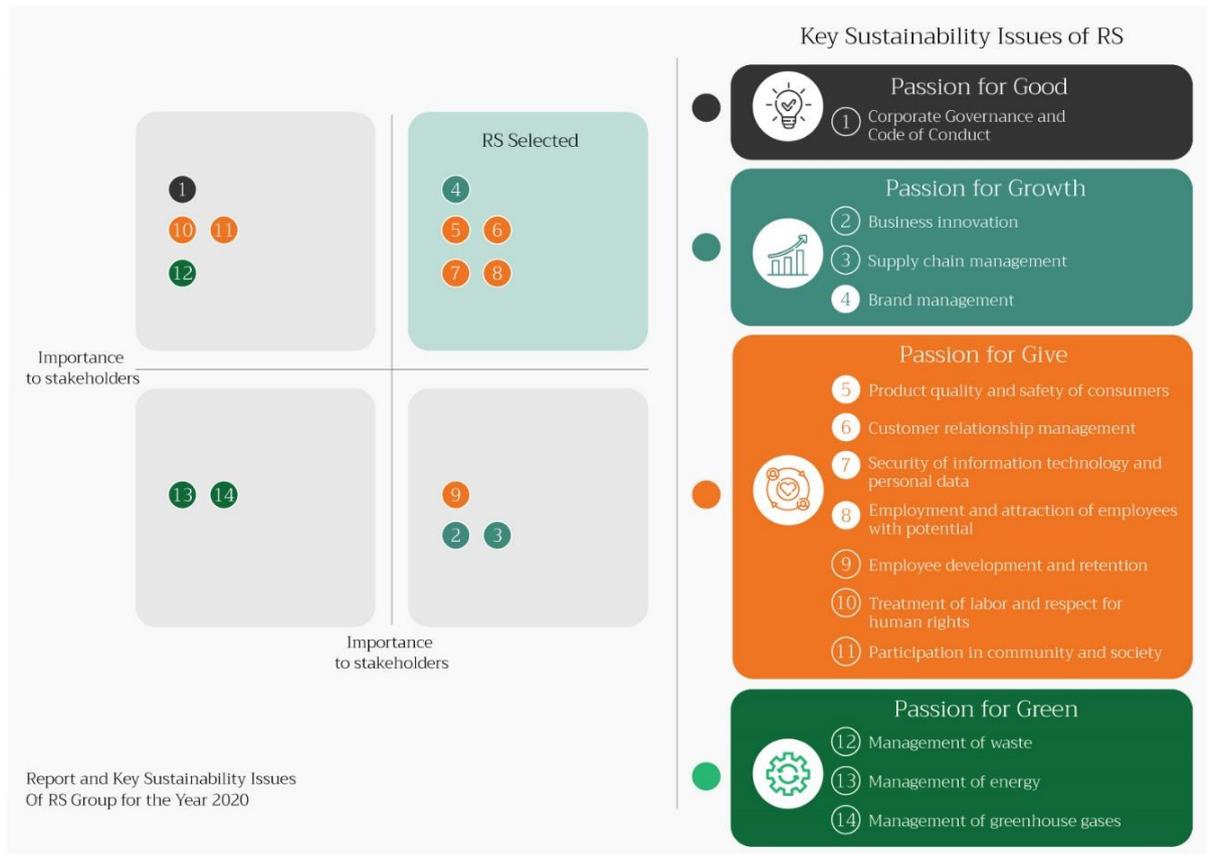
4) Verification and reliability

The Corporate Governance and Sustainable Development Committee plays a role in monitoring and reviewing the preparation of the Sustainability Report. They provide advice to achieve complete coverage of important issues related to the Company and all stakeholders, including giving approval to disclose information.

5) Continuous development

This year marks the first year that the Company has prepared a sustainability development report to disclose important information to investors and the general public, so that they are aware of all the happenings in terms of the environment, society and corporate governance. It is expected that the report will be prepared in accordance with the international standards, including the listening to opinions and suggestions from all stakeholders through various channels, such as participating in the sustainability report awards assessment or user opinion questionnaires, etc.

Evaluation Results of Materiality



Key Assessments Sustainability Issues

Sustainability Issues	Scope of Impact on Stakeholders
 Product Quality and Consumer Safety	The Company, Shareholders, Customers, Partners, Government Agencies
 Customer Relationship Management	The Company, Shareholders, Customers
 Information and Personal Data Security	The Company, Shareholders, Customers, Social, Government Agencies
 Employment and Attraction of Staff with Potential	The Company, Employees, Society, Government Agencies
 Brand management	The Company, Shareholders, Customers, Society, Government Agencies

3.1) Sustainability Policy and Management Goals

A commitment to operating in accordance with the principles of Good Corporate Governance is the core driving force for sustainable development. The goal is clear: to achieve balanced growth in terms of economic, environmental, social and corporate governance measures, considering the responsibility and mutual value creation among the Company and all stakeholders throughout the business chain. Also, the readiness for real enhancement through sustainable development is by integrating sustainability into various management issues, making it a part of the operations in all areas. It should also cover all business groups and be consistent with the Company's business strategy, both in the short and long term.

Management Guidelines and Performance Results

The Company announced the Sustainable Development Policy in 2020 as the first year, focusing on the operations of the commerce business as it is the sector that generates the highest income for the Company. It also has high growth potential and there are plans to increase the scope of its management to cover other secondary businesses of the Company in the future, to create operations that are in line with the same policy and in the same direction.

Sustainability Strategy of 2020

The Company has taken the sustainability issues received from stakeholders and analyzed them in conjunction with best practices from various regulators. They have integrated sustainable development into a process that has been approved and accepted by the Corporate Governance and Sustainable Development Committee, to then determine the framework for work, formulate strategies, and move towards the operational planning process, as follows:

- Operational strategy focuses on development and improvement of operational efficiency in terms of the economy, the environment, society and corporate governance in accordance with the international standard framework. It has been accepted and trusted by all stakeholders.

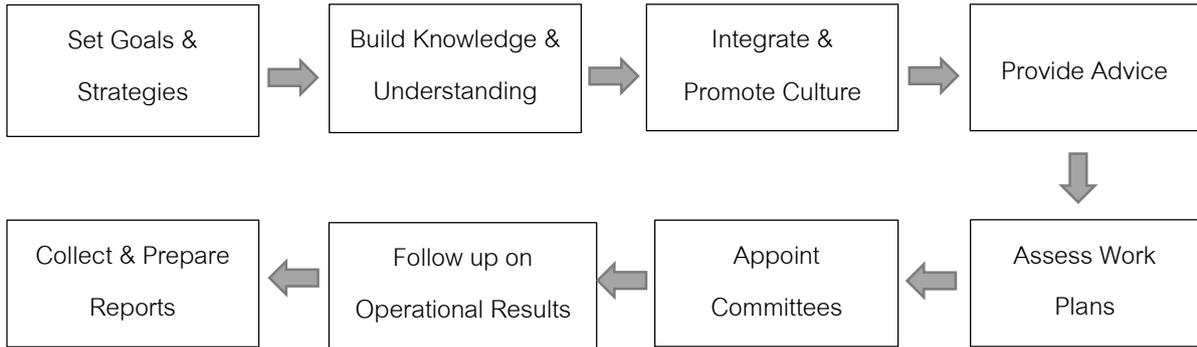
- Strategy for risk management of economic, environmental, social and corporate governance matters is made by considering opportunities, risks and impacts throughout the business chain that occur upstream, midstream and downstream, including new risks emerging in the future. This is to ensure that the operations will be fair and transparent between the Company and all stakeholders in both the short and long term.

- Business sustainability strategy focuses on developing employee potential in accordance with business strategies. This is to increase the capacity to create mutual value between the Company and all stakeholders, further strengthening the sustainable business model.

Driving and Monitoring Sustainability Strategies

The year 2020 represents the beginning; on November 12, 2020, the Company appointed the “Corporate Governance and Sustainable Development Committee: CG & SDC” to push forward an integrated work environment, with the Investor Relations and Sustainable Development Department acting as the main coordinator to report on environmental, social and corporate governance performance results to the Corporate Governance and Sustainable Development Committee every quarter as well as to present such findings to the Board of Directors.

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



By implementing the Sustainable Development Plan for a period of 5 years (2020-2024) that adheres to the operating guidelines in various fields, the Company has been able to complete 15 percent of the planned program. Important results have been reported in various categories.

The Company will review the sustainable development plan annually, keeping pace with global changes in line with the United Nations Sustainable Development Goals, more closely following international standards and ensuring they are taking the same direction as the Company's business plan to reflect business development that takes into account important environmental, societal and corporate governance issues while creating the highest returns for all stakeholders of the Company.

Possible Risks to Sustainable Development

Global trends and directions may pose risks that impact commerce business operations in the long term. The Company realizes and imparts great importance to these risks, conducting risk assessment and analyzing the impacts that may occur in each situation. The results have been reported to the Corporate Governance and Sustainable Development Committee and the Board of Directors on an annual basis or every time there is an urgent event. The sustainability risks include:

Risks Concerning Product Quality and Consumer Safety

Products sold through various distribution channels are both owned by the Company, which controls the production itself and by trade partners who advertise and sell their products through the Company's channels. As the main products of the Company are food supplements, the quality of the product and safety of consumers must be taken into account which constitutes social responsibility. Also, it is an important part of corporate reputation risk management, which, in addition to customer satisfaction, is very important for the Company.

The Company has provided inspection and product quality control with the manufacturer, to be able to manage the products in time with any situation that may arise. This includes providing knowledge and development processes to telesales staff so they can serve customers more efficiently, as well as closely supervising the sales of telesales employees. A quality control section monitors the services and an after-sales service team provides customer service, receives complaints and solve problems for customers, including reporting such problems to management and the responsible department. These efforts enable prevention and improvement measures to be implemented quickly and efficiently, including the forming of regulations that prevent damages from occurring.

Risks from Customer Relationship Management

As the Company operates a commerce business, with its main income from customers or consumers who are calling in to order products or the Company is calling them to sell products, there may be factors affecting customer satisfaction, such as a salesperson's behavior, product quality, etc.

The Company has thus set up a customer satisfaction assessment system to regularly analyze and improve the Company's products, services and business processes. This includes providing knowledge and development processes to telesales staff, so they can serve customers

more efficiently. Also, supervisors closely monitor the sales of telesales employees. There is a person responsible for Quality Control (QC) who follows up and reviews the services. Also, a Customer Relationship Management (CRM) system team provides customer service, receives complaints and solves problems for customers as well as reporting such problems to management and the responsible department for have preventive and corrective actions, including regulations that help prevent damage. They also handle inspecting and controlling product quality with the manufacturer, so they are able to manage products in a timely manner, should related situations arise.

Risks from Employment and Attraction of Employees with Potential

As the Company has shifted from a business originally engaged in media and printing to a commerce business unit, elements of both businesses are used to further develop the organization. As such, there has been a selection and hiring of a new group of employees with knowledge and experience different from the existing staff. Meanwhile, there is the retention and development of the latter to be in line with the change in the business model of the Company. The organizational values serve as the core of human resource management, including enhancing new working skills and combining corporate culture that requires cooperation to create sustainable results where employees are ready to leap forward and grow together.

The Company has established a process for recruiting new employees according to their abilities and work styles, among other features that are specific to the job. This has been defined in detail in job description form. Additionally, the interview process helps to recruit personnel with ideas and goals in line with core values and organizational culture, which is prudent and consistent with the strategy of the Company and enables the knowledge and capability of the new employee group to be integrated with the existing group of employees. Also, there is a system for evaluating the performance of new employees as well as evaluation of work trials. And most importantly, the organization-wide annual evaluation system is used; known as the Objective Key Result (OKR) method, it is an information based reward and incentive system that also allows for competition in the market. The Company has been able to retain a group of employees who have performed very well, and to lay the curriculum for further development and improvement of employee potential.

Corporate Reputation Risks

Reputation and corporate image risk pose a major risk that can severely impact the organization both in the short and long run. It cannot be assessed in terms of monetary value. RS has built its reputation throughout a 40 year period, and its various stakeholders thus possess higher expectations concerning the RS brand. This includes the expansion of their investments to various other businesses. The strategy of using the name RS to engage with other businesses offers an opportunity to sell more products and services. While it increases the original strength of the RS brand, it also increases the risk exposure. Also, the practice and nature of business are different, such as when an event negatively affects the reputation and image of the organization. As a result, this kind of news spreads widely, such as on social media, which may make it impossible to run the business according to the operational plan.

The Company has overseen and encouraged directors, executives and employees to comply with the Good Corporate Governance Policy and Code of Conduct. The Company has appointed a corporate image and communications department that is responsible for defining the overall RS brand management guidelines, and coordinating them with each business unit in accordance with RS's strategy and brand management approach, as well as supervise the strategy and marketing activities of the business to be aligned with the Company's brand strategy efficiently. In addition, the Company has established guidelines and strategies for creating brand engagement with key stakeholders, and has a training plan to educate employees that are involved. The Company also has a management plan for handling situations, including rehearsals to prepare for crises in various forms and a process for communicating with stakeholders for a correct, clear and effective understanding of the happenings. Another important thing the Company has been serious and determined to do includes supporting socially beneficial projects, including capacity building for children and youth, bringing happiness and a good quality of life to every family, and continuously benefitting the public at the community level in the area where the Company conducts its business as well as at the national level.

Emerging Risks that May Affect Business Operations in the Next 3-5 Years

The behavior of the population along with global industry trends can change completely, it is likely that those behaviors will be connected to the online world without limits, which may affect the commerce business with anticipating the platform, format and method of delivering products and services to customers must be timely and efficient, to respond to the possible changes. Also, the changes are likely to have an impact on the media as television and radio businesses if media viewing technologies rapidly transition from offline to online.

Under this ever changing situation, the Company never stops developing both its platforms and models to deliver products and services, including the creation of content for viewers to watch through new online channels. In addition, the Company also strives to develop and serve as an example of a business that is transforming to an organization aligned with the changes of the digital age, introducing the Entertainmerce business model to change the business. The use of modern technology lies at the core of this digital transformation, which encompasses development of data analytics teams; continuously bringing technology and adapting it for use in the organization such as Salesforce, Avaya Contact Center System, Predictive Dialing System and Warehouse Management System; and developing an Enterprise Business Intelligence Dashboard that will enable executives at all levels to have access to relevant information. It will also be used to analyze the teams' work as well. Moreover, the Company to leading by technology, continues to study ways to use new technologies to develop the organization. This insight is partly from communicating and listening to customers' opinions through the telesales teams and/or digital marketing teams, making the Company one of the businesses that can rapidly perceive the changing behavior or trends of customers.

Sustainable Management Policy and Goals

Issues	Goal	Current Operations	Operational Plan to Reach Goal	(SDGs)
Product Quality and Consumer Safety	Allocate research and development budget for product quality, meeting the diverse needs of consumers with a particular focus on safety	Select and hire a manufacturing plant that has an integrated research and development department for speeding the operation	Clearly allocate budget and establish a research and development department belonging to the Company	  
Customer Relationship Management	Maintain customer satisfaction and reduce the rate of complaints	Test and control the service and information provision of employees, and provide the channels for receiving complaints	Provide an evaluation system after the customer receives the service.	
Information and Personal Data Security	Maintain security of information and personal data, without data breaches	Establish an agency responsible for data and personal information security, to train employees of the Company	Provide development of a data and personal information security system, with data warehouse management, to be as effective as possible	 
Employment and Attraction of Staff with Potential	Employ by being transparent, fair, ready to improve the quality of life and provide equal opportunities for those with the knowledge and abilities to meet the needs of the company.	Select employees in accordance with the strategy of the Company to carry out various activities, using the OKR system for development and evaluation of employees' performance	Use assessment results to improve the process of developing work capacity, while also improving the quality of life of employees	  
Brand Management	Build awareness about communicating the Company's image according to its strategy, and maintain relationships with stakeholders	Create awareness among employees and external audiences, and officially create awareness of the rebranding of the Company	Develop relationships with stakeholder covering all parts, to create common values	

Defining the Scope for Sustainability Issue Reporting, According to the Company's Guidelines and GRI

Dimension	Sustainability issues	Sustainability Issues	Scope of Impact on Stakeholders	
	According to the Company's Guidelines	According to GRI Guidelines	Internal	External
Corporate Governance	Good corporate governance and business ethics	Good corporate governance, business ethics and integrity, anti-corruption	✓	Shareholders, creditors, financial Institutions, trade partners, government agencies
	Business innovation	Development of Innovation		
Economy	Supply chain management	Partner Evaluation in Employment, Environment and Human Rights	✓	Trade partners, customers
	Brand management	Good corporate governance	✓	Shareholders, trade partners, customers
Society	Product quality and safety of consumers	Responsibility to customers	✓	Trade partners, customers government agencies
	Customer relationship management	Responsibility to customers	✓	Trade partners, customers
	Security of information technology and personal data	Good corporate governance, privacy of customers, legal compliance	✓	Trade partners, customers, government agencies
	Employment and attraction of employees with potential	Diversity and equal opportunities, employment, occupational health and safety	✓	Government agencies
	Employee development and retention	Training and education	✓	-
	Treatment of labor and respect for human rights	Fair treatment of employees and labor force	✓	-
	Participation in community and society	Responsibility towards community and society	✓	Community, society, government agencies
Environment	Management of waste	Management of trash, waste and pollution		
	Management of energy	Management of energy and water	✓	Community, society, government agencies
	Management of greenhouse gases	Management of greenhouse gases		

3.2 Managing the Impacts on Stakeholders in the Value Chain

Important Key Values in 2020

Commerce Business

- Lifestar Creating innovations to produce new products with their own copyrights 12 items
- RS Mall Delivering products to all regions across the country, with over 100 items and over 600,000 customers (from a customer base of more than 1.6 million), totaling 1.2 million orders

Entertainment Business

- Channel 8 Reaching an audience of over 8 million people nationwide
- COOLISM Reaching 1.7 million online listeners and 1.8 million offline listeners
- Music Delivering a total of 40 new songs through 80 solo artists and groups

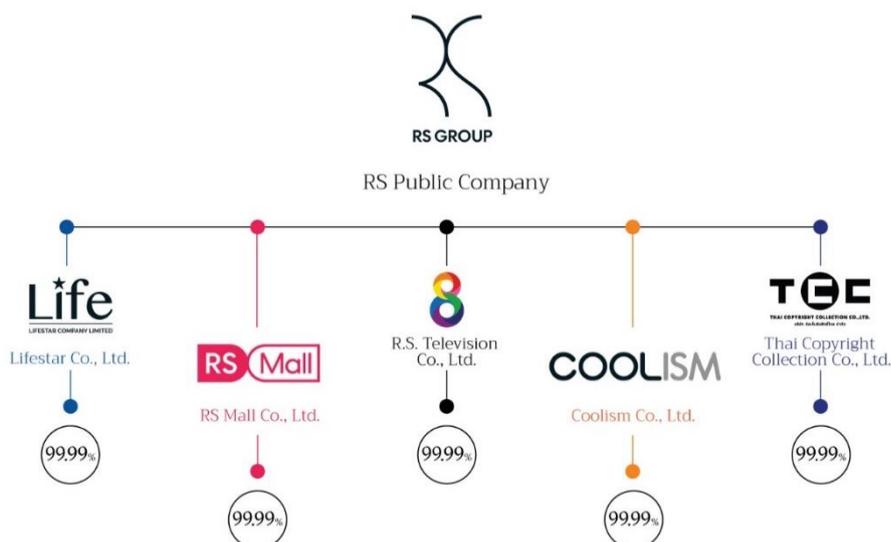
Managing the Impacts on Stakeholders in the Value Chain

“Synergy through unique business integration, prominently linking all business units”

The Company is committed to creating value in a wide variety of products and services through appropriate distribution channels and connecting each distinctive business unit, to meet expectations and take into account the best impacts on all stakeholders throughout the value chain, from upstream to downstream.

3.2.1) Value Chain of the Business

The Company is determined to inspiration and fulfill people's lives with entertainment and offering creative and valuable products and services Entertainment by the perfect combination between commerce business and entertainment business completely.



Commerce Business fulfills all consumer needs with international standards products and services

Manufacturing Business

Lifestar designs and creates cost-effective and quality products and services by developing the latest innovations. It enables Thai people to access technology on an equal footing with their international counterparts, which will help solve problems to meet all customer needs. It also improves the quality of life and brings world-class innovation to consumers.

Distribution Business

RS Mall offers a modern virtual shopping experience through digital television screens on Channel 8 and other leading digital television partners, including online channels like website, online shopping and other leading online platforms. The selection of products is accompanied by compelling stories from the impressive hands-on experience of real users, which helps to augment the experience for product users. Recently, distribution expanded to RS Mall Channel, which is a shopping channel that is broadcast via a satellite television system 24 hours a day; it focuses on presenting a variety of different product-related content to reach a nationwide audience.

COOLanything represents another shopping platform from COOLISM. It is like an online shopping lifestyle platform where the listener can listen to music while pressing the shopping button at the same time – to truly meet the modern lifestyle needs of contemporary urban dwellers.

Media and Entertainment Business inspires the audience with entertainment offered through a variety of leading channels.

Television

Channel 8 digital television, an industry leader with a nationwide audience, features programming that delivers rich and interesting experiences, including the number one Muay Thai program, quality series in the genres of drama, fantasy, mystery and mythology, as well as international series, news programs and variety television shows.

Radio

COOLISM reflects the number one radio operator in Thailand that, under the name COOLfahrenheit, offers easy listening music all day long. Through stories from the COOL Js, the content addresses the lifestyle needs of people who are interested in travel, food, health and beauty which help to inspire life and work.

Music

Rose Sound marks the most classic record label, offering pop music that is the prototype of today's pop music industry in Thailand.

Kamikaze is a legendary record label that still stands on solid ground. It has revolutionized music for a new generation, with an influence on the Thai music industry. It has also reached the top of the pop music industry, creating an identity and culture that has changed the lifestyles of new generations in the past.

RSiam is Thailand's leading country music label, offering a new style of Thai country music while retaining a clear and distinctive Thai identity.

Business Value Chain Analysis

Representing the relationship of business-related activities demonstrates the Company's commitment to adding value to products and services, which also reflect the value that the Company provides for stakeholders involved in each activity. There are 2 types of activities throughout the value, including:

Primary Activities

5 main activities that are linked continuously in the context of the commerce business, as detailed below.

Activity in Value Chain	Relevant Activities	Identification of Stakeholders
1) Inbound Logistics management is an activity focusing on and supporting inputs in the chain, including the relationship between trade partners or suppliers of raw materials or inputs used in the production of goods and services.	<ul style="list-style-type: none"> ● Research and develop products that meet the needs of a wide variety of customers, and are modern and safe ● Efficient procurement and purchasing of quality raw materials ● Consideration of using local ingredients from within the country ● Fair procurement and selection process, without trade barriers and discrimination 	<ul style="list-style-type: none"> ● Parties under agreement who engage in research (in the case of producing goods under their own brands) ● Trade partners, business partners (in the case where they sell products from other manufacturers) ● Raw material producers both in Thailand and abroad ● Government agencies, regulators who control production standards ● Employees who engage in purchasing and procuring raw materials

Activity in Value Chain	Relevant Activities	Identification of Stakeholders
<p>2) Operations is an activity related to the conversion of raw materials or inputs that lead to the development of ready-to-sell products and services. It includes the selection of factories to be used in production and the selection of products from partners to be sold via the Company's channels.</p>	<ul style="list-style-type: none"> ● Selection of a factory that meets standards and control criteria, reducing the impact on the community and the environment ● Use of modern technology or promotion of innovation in product manufacturing ● Efficient production and processing of raw materials ● Inspection and quality control of products to meet specified standards ● Consideration of process safety and reduction of waste that impacts the environment ● Use of appropriate packaging to maintain product quality, with the choice of an exterior material that is environmentally friendly 	<ul style="list-style-type: none"> ● Factories that are contracted manufacturers ● Parties under agreement who engage in research (in the case of producing goods under their own brands) ● Trade partners, business partners (in the case where they sell products from other manufacturers) ● Employees with the task of producing goods ● Government agencies, regulators who control production standards ● Packaging manufacturers ● Communities surrounding the factory
<p>3) Outbound Logistics is an activity concerning the distribution of and channels for goods and services. It enables customers or consumers to access products and services of the Company.</p>	<ul style="list-style-type: none"> ● Warehouse, distribution center is in the right location that is convenient for transportation, with an overall management system that is environmentally friendly ● Warehouse, distribution center employs modern technology for management of orders ● Warehouse, distribution center is ready for efficient storage of products with maintenance of product quality 	<ul style="list-style-type: none"> ● Trade partners, transportation contractors ● Warehouse staff ● Owners of warehouse or industrial estate located where the factory is located ● Trade partners or warehouse management program contractors ● Consumers

Activity in Value Chain	Relevant Activities	Identification of Stakeholders
	<ul style="list-style-type: none"> ● Selection of a transportation service provider that meets standards, with a fair hiring process ● Transportation and delivery of goods with quality and timely services 	<ul style="list-style-type: none"> ● Customers, distributors (through other channels that are not owned by the Company) ● Communities surrounding the warehouse
4) Marketing and Sales is an activity about customers making purchasing decisions, in order to access products and services more conveniently.	<ul style="list-style-type: none"> ● Offline and online stores have a variety of channels that are easily accessed by the consumer ● Pricing of the goods and organizing of appropriate marketing promotion activities ● Providing accurate and complete information of products to consumers through all communication channels 	<ul style="list-style-type: none"> ● Customers, distributors (through other channels that are not owned by the Company) ● Staff who provide information, sales staff
5) After-sales service is an activity about offering services to customers, with a readiness to provide maximum satisfaction.	<ul style="list-style-type: none"> ● Product guarantee and customer satisfaction ● Customer Relationship Management system to receive opinions and suggestions 	<ul style="list-style-type: none"> ● Customers, distributors (through other channels that are not owned by the Company) ● Staff who provide information, after-sales staff

Support Activities

Support the main activities to achieve the goals. They are no less important than the main activities, and the Company has carefully implemented and adhered to the management criteria, including in human resource management, technological development for products and services, organizational management, transportation management, and preparation of accounting and financial systems.

Stakeholder Engagement Policy



The Company is committed to managing stakeholders in an efficient and fair manner. A systematic approach is applied to define key stakeholders and integrate stakeholder expectations into operations across all sectors, covering all business units and maintaining consistency with the Company's business strategy. This includes appropriate monitoring and communication with all stakeholder groups, with a focus on caring for and building relationships with key stakeholders, namely,

shareholders, employees, customers, trade partners, the governmental sector, communities and society at large – to create mutual value and grow together in a balanced way.

Operational Framework for Stakeholders

1) Classification and Analysis of Stakeholders

Group key and minor stakeholders to analyze risks and impacts, including direct, indirect and appropriate participation channels, in formulating common sustainability issues

2) Listening and Participation

Provide both online and offline communication channels, as well as face-to-face meetup through staff who are directly responsible on a regular and ongoing basis, including a channel for receiving suggestions, complaints, needs assessments, and feedback of satisfaction and engagement, as well as a channel for conducting group conversations, meetings and organizing collective activities, according to regularly scheduled processes and activities

3) Response

Establish a process for responding to needs and complaints in each group appropriately and concisely, with complete, sufficient and timely communication or disclosure; in addition, have a process for supporting and analyzing the obtained data, leading to further development and improvement of internal processes

3.2.2) Stakeholder Analysis in the Value Chain

Stakeholders are individuals or units that are involved in the Company's business operations, both directly and indirectly, and can be divided into: 1) internal stakeholders such as shareholders and employees; and 2) external stakeholders such as customers, trade partners, the government and communities. The Company assesses the expectations of stakeholders at least once a year through listening to interviews; collecting reports; holding satisfaction surveys; and arranging small group meetings, workshops, or a channel for receiving complaints – to learn the impacts and issues, both positive and negative, connected to the Company and all its stakeholders.

Knowing the expectations of its stakeholders, the Company has summarized the guidelines for meeting those expectations. This reflects the cooperation and mutual value creation between the Company and all its stakeholders, which reduces various operational risks as well as adds value to the business.

Stakeholder	Channel for Participation	Suggestions, Expectations or Interest of Stakeholders	Response to Expectations of Stakeholders
Shareholders and Investors	<ul style="list-style-type: none"> ● Annual General and Extraordinary Meetings ● Quarterly operating results clarification ● Investment promotion activities such as Road Show, Opportunity Day, Open House, Company Visit, Site Visit, One on One Meeting, Group Meeting, Analyst Meeting ● Annual Report, Form 56-1 One Report 	<ul style="list-style-type: none"> ● Solid performance and results, and continuous and stable growth ● Sustainable development in all dimensions ● Stock prices continue to rise ● Regular dividend payments ● Good corporate governance, transparency, accountability ● Accurate, complete and timely disclosure of information 	<ul style="list-style-type: none"> ● Manage operations for stable and balanced growth in all aspects: economic, social and environmental ● Perform duties with integrity, and undertake any action with corporate governance principles and ethics that do not seek benefits for one's self or others; refrain from using information of the Company that has not been disclosed to the public, and do not engage in

Stakeholder	Channel for Participation	Suggestions, Expectations or Interest of Stakeholders	Response to Expectations of Stakeholders
	<ul style="list-style-type: none"> ● Various communication channels such as website, e-mail, telephone, LINE, Facebook and Twitter ● Whistleblowing 		<p>any action that may cause a conflict of interest to the Company</p> <ul style="list-style-type: none"> ● Promote anti-corruption in all forms
Employees	<ul style="list-style-type: none"> ● All Hands Town Hall Meeting for top management to meet employees each year ● Survey on Relationship and Satisfaction with the Company ● Internal communication for public relations through e-mail ● Meeting of the Employee Welfare Committee ● Regular employee performance assessments every 6 months. ● Exchange of ideas about the work agreement and framework between the supervisor and employees on a regular basis every 6 months 	<ul style="list-style-type: none"> ● Appropriate and fair salaries and benefits ● Provision of more welfare benefits than that which is stipulated by law ● Organization of training to develop knowledge base and working potential ● Opportunities for career advancement, for stability in life ● Environmental management that is good, safe and meets occupational health guidelines ● Disclosure and communication of information regarding the Company's management direction ● Happiness at work 	<ul style="list-style-type: none"> ● Manage remuneration payment in accordance with the performance of the Company, both for the short and long term, including the results measured by the OKR system ● Provide appropriate welfare for employees such as a Provident Fund, Social Security Fund, medical care benefits, annual physical examination, special prices for food and drinks ● Promote and carry out the development of employees' potential, and pushing for progress in a fair manner ● Manage office space in accordance with occupational health guidelines, such as having green space, smoking area, staff dining hall, various recreational nooks

Stakeholder	Channel for Participation	Suggestions, Expectations or Interest of Stakeholders	Response to Expectations of Stakeholders
	<ul style="list-style-type: none"> ● Whistleblowing 	<ul style="list-style-type: none"> ● Fair treatment of employees based on human rights principles, without exclusion and discrimination 	<ul style="list-style-type: none"> ● Recruit and hire employees according to human rights guidelines, which focus on equality, diversity, non-obstruction and non-discrimination on the basis of nationality, religion, race or gender; focus on competence in line with business models ● Open channels for communication between each other
Consumers and Customers	<ul style="list-style-type: none"> ● Customer satisfaction surveys ● Opportunities to visit the Company's businesses such as Site Visits, Open House on suitable occasions ● Various communication channels such as website, e-mail, telephone, LINE, Facebook and Twitter ● Whistleblowing 	<ul style="list-style-type: none"> ● Receive quality products correctly and in a timely manner ● Track order and delivery status with transparency and in a timely manner ● Provide good after-sales service, with product guarantees and customer satisfaction ● Products and production processes are environmentally friendly ● Wide variety of products that meet the needs of customers 	<ul style="list-style-type: none"> ● Deliver quality information, products and services on time, according to specified standards ● Provide service personnel who give information before and after the sale ● Expand product distribution channels effectively ● Prepare customer satisfaction assessment ● Produce standardized and safe products ● Implement measures to protect personal customer information

Stakeholder	Channel for Participation	Suggestions, Expectations or Interest of Stakeholders	Response to Expectations of Stakeholders
		<ul style="list-style-type: none"> ● Easy access to products, both offline and online ● Provide personnel who give accurate and timely information ● The product is safe according to standards of control ● Appropriate product pricing and organization of marketing promotion activities 	<ul style="list-style-type: none"> ● Promote innovative manufacturing that meets customer needs while being environmentally friendly ● Open channels for communication between one another
Trade Partners or Agreement Partners or Contracted Manufacturers	<ul style="list-style-type: none"> ● Meetings between trade partners, agreement partners ● Opportunities to visit the Company's businesses such as Site Visits, Open House on suitable occasions ● Various communication channels such as e-mail, telephone and LINE ● Whistleblowing 	<ul style="list-style-type: none"> ● Procurement with transparency, fairness, non-monopolistic, or with trade barriers ● Providing compensation that is motivating, appropriate and fair ● Creating mutual value in long term and sustainable business operations ● Safety protection meets principles of occupational health ● Maintaining a commitment to conducting business 	<ul style="list-style-type: none"> ● Treat trade partners with fairness and transparency, with auditable processes and without any monopolistic measures or barriers ● Define fair forms of agreements and rewards on procurement ● Promote cooperation to develop knowledge and maintain good relationships with trade partners ● Make payments on time within the specified terms

Stakeholder	Channel for Participation	Suggestions, Expectations or Interest of Stakeholders	Response to Expectations of Stakeholders
		<ul style="list-style-type: none"> ● Entering into fair agreements with all parties ● Accurate debt payments made on time 	<ul style="list-style-type: none"> ● Maintain mutual trade secrets ● Maintain the same aim to produce quality and safe products to deliver to customers ● Operate processes according to the principles of occupational health and safety
Government Agencies or Regulatory Agencies	<ul style="list-style-type: none"> ● Continuous participation in various activities and projects ● Preparation of reports or disclosures 	<ul style="list-style-type: none"> ● Compliance with all aspects of the requirements, rules and laws ● Provide information or perform various actions to be accurate, suitable and timely 	<ul style="list-style-type: none"> ● Follow the required rules and regulations ● Provide information and good cooperation when requested by regulatory agencies
Communities and Society at Large	<ul style="list-style-type: none"> ● Regular surveys and meetings in the community with community leaders ● Continuous participation in various activities and projects ● Various communication channels such as website, e-mail, telephone, LINE, Facebook and Twitter ● Whistleblowing 	<ul style="list-style-type: none"> ● Creating ties and building trust with communities and society ● Prevention of environmental impacts according to various control criteria ● Being part of the communities and society ● Efficient use of shared resources 	<ul style="list-style-type: none"> ● Control the impact of discharged waste to be within the standard guidelines ● Regularly support constructive activities for society, communities and the environment ● Create value and develop communities with the principles of sustainable development ● Listen to suggestions from communities around the area to mutually find solutions to resolve complaints

3.3) Environmental Sustainability Management

Overall Outcome and Performance Results Related to Environmental Management

- 0 cases of disputes or violations of environmental laws, regulations or requirements
- 0 baht in fines caused by non-compliance with environmental laws, regulations or requirements
- 0 cases of significant leakages in production facilities

Project to Reduce Energy Consumption and Natural Resources

Reduction in the cutting of trees	22	trees
Reduction in carbon dioxide emissions	870	kilograms
Reduction in water usage	33,280	liters
Reduction in fuel consumption	1,792	liters
Reduction in energy usage	5,120	kilowatts

Waste Management

Recycling of paper	1,280	kilograms
Burying of waste from business processes	24	tons

Environmental Management Policy

The Company is committed to operating in strict compliance with the laws, rules and regulations related to the environment, which also covers the use of energy and natural resources with an understanding of their value, management of waste from production processes and the potential impact throughout the organization's supply chain. It also encourages employees to be conscious, taking part in showing responsibility towards the environment with the short term goal of proper waste disposal and the long term goal of applying the circular economy system to the Company's operations. This brings used resources back into the production process for reuse; it is a solution to the emerging resource shortage crisis and contributes to sustainable growth.

Good 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; consider the correct and appropriate controls regarding the amount and management of waste
- 4) Drive environmental assessment to be part of the supply chain

5) Disclose environmental information of the Company in a correct and transparent manner through various channels

6) Support activities and create awareness among employees at all levels to be responsible for the environment

Assessment of Environmental Impact

This is to ensure that all the Company's operations and activities are carefully considered in terms of the impacts in economic, social and environmental aspects, including ecological impacts and possible changes to natural resources. Also, the purpose is to define measures of environmental impact, mitigation guidelines and occupational health and safety appropriately, adequately and efficiently.

Performance

Besides the impact assessment, the Company has also monitored and assessed its compliance with various laws, rules and regulations that are related to the environment on a regular basis. This ensures that employees and those involved in the implementation of each project are properly informed and comply in the correct manner. The Legal Department oversees and offers advice to prevent the occurrence of various disputes. As a result, the 2020 operations experienced no fines and penalties related to the environment.

Efficient Usage of Energy and Resources

The Company realizes that, at present, the population of the world is increasing, which is one of the reasons for the large consumption of energy and natural resources. This affects humans and the ecosystem as a whole. Therefore, the Company supports and fosters awareness of energy and resource usage to be an issue close to our hearts, and that it is the duty of all parties to work together, maintain and use such resources as efficiently as possible.

Good practices

1) Strictly comply with laws, rules and regulations related to energy and resource consumption

2) Regularly review the policies and management plans, and follow up on the performance

3) Promote the concept of direct conservation: economical use, reuse, rehabilitation and restoration, use of substitutes, and vigilance in protecting energy and resource use

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 of the most cost-effective use of natural resources

Performance

Due to the increased demand for resources, both the public and private sectors are paying more attention to using natural resources as economically as possible through the introduction of the circular economy concept. This is applied to operations throughout the value chain. The Company has launched an environmental project to handle used paper, taking it from its originating point to the correct recycling process. It also instills consciousness among all employees to join together to be a part of the efforts to see the value in getting the most use out of our natural resources.

“Paper Mache... Separate, Exchange and Conserve” Project

Target group: All employees at RS headquarters

Objective: To promote the separation of paper from its starting point and getting users of such paper to recognize the value of used resources, and to see that separating paper from other waste increases the country’s waste paper recycling rate and quality

Operating period: 2020-2021, with possible extension of the period, as appropriate

Project operations:



1) Create public relations throughout the organization with a march to put out publicity signs and the screening of media on computers to provide all employees with the knowledge of correct paper sorting procedures

2) Participate in paper gathering and taking it to the recycling boxes arranged at various points

3) When a certain amount of paper has been collected, the Company sends it directly to a standardized paper extraction and production plant in order to continue the recycling process

4) Estimate the purchase price and exchange it for new paper to bring back for employees to use in the office later

Compensation: The work units benefit, and receive Idea Green 80 grams A4 copier paper (based on the purchase price of scrap paper in the market)

Goal: Bring paper into the recycling process at an average of 600 kilograms per month (the project start period was November - December 2020); the aim in 2020 is 1,200 kilograms.



Performance summary:

- 1) A total of 1,280 kilograms of used paper was recycled, or a 106 percent success rate
- 2) Changed waste paper into recycled paper in the amount of 35 reams or 17,500 sheets
- 3) Helped the Company save costs in buying paper for the office usage in the amount of 3,920 baht
- 4) Reduced energy and natural resource consumption, and took part in reducing global warming

“Changing to a Smart Office by being a Paperless Office”



In addition to proper management of used paper, the Company promotes the transformation to a paperless office. It is based on the simple principle of storing documents in a digital format instead, such as archived on a computer system or cloud server, and stored on a hard disk or flash drive. This includes the

development of various applications and programs to use as substitutes for paper: send documents via the Internet; acquire electronic data; omit printed salary slips, expense receipts, work order e-mails and assessment forms; attach digital files to relevant parties instead of printing them before meetings; and coordinating between departments via a computer system.

The Company has benefited in reducing paper consumption by lowering the cost of purchasing materials and equipment as well as cutting operating time. It also benefited from

organized data storage that runs more efficiently. These efforts also encourage employees to be conscious of the value of resource usage.

Waste Management in Business Processes

The Company has a method of handling waste that arises from expired, deteriorated and defective, un-sellable products through a legal landfill burial and disposal method that is based on academic principles and does not affect the environment. Landfill contractors who operate in accordance with regulated standards have been 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 evidence to write off product costs as expenditures when calculating net profit of that year.



In 2020, the Company had a total of 23.97 tons of products (the cumulative volume from 2015-2020) in the landfill, and is in the process of managing other waste through reducing consumption, increasing reuse and encouraging recycling. Also, the Company has developed a modern Warehouse Management

System (WMS) to manage the warehouses more efficiently, with the goal of reducing the amount of waste that is generated.

Water Management

“Water” represents a valuable resource of the world, and it is an important factor of production in the economy. However, due to climate variability, water-related disasters occur frequently and are becoming more severe. Along with the rise of urban communities, economic expansion and growth of industrial zones, there have been water shortages, flooding, water pollution, etc. As such, the Company tries to manage water within the organization by using water consciously, understanding its value; encouraging stakeholders to impart more importance to reusing water in production systems; and maintaining a good conscience in treating wastewater before releasing it into the public drainage system.

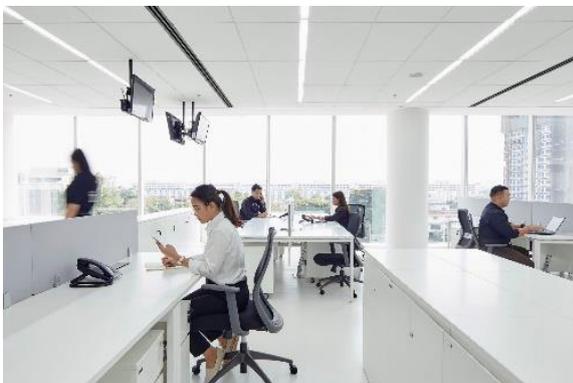


In 2020, the Company consumed 44,090 units of water and set a target to reduce water consumption by 2 percent by reminding people to turn off the water when it is not in use and making various equipment changes to save water. For example, change the faucet to automatic sensor type, including maintenance of

the water supply system to be efficient and always ready for use. However, as the office moved to a new location in 2020, it is still unable to measure the results from this year. Nonetheless, the target and operational guidelines for the following year remain in place.

Electricity Management

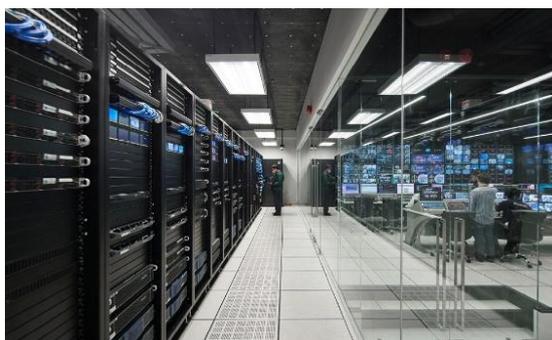
"Electricity" reflects one of the most important energy drivers in the economy. Although it is known that Thailand is an agricultural country that does not have many sources of electricity, the Company tries to manage electricity within the organization by using it wisely. The Company encourages all stakeholders to use electricity more efficiently, including the use of energy-efficient buildings (See details at "RS Group Building and Buildings with Concept of Energy Conservation").



In 2020, the Company 4,995,900 units of electricity and has set a goal to reduce electricity consumption by 5 percent by reminding people to turn off the lights every time when they are not in use, turning off computer screens and making various equipment changes to those that save on electricity consumption, including electrical

maintenance so they are always safe and ready to use. As the office moved to a new location in 2020, it is still unable to measure the results within this year. Nonetheless, the target and operational guidelines for the following year remain in place.

“RS Group Building and Buildings with Concept of Energy Conservation”



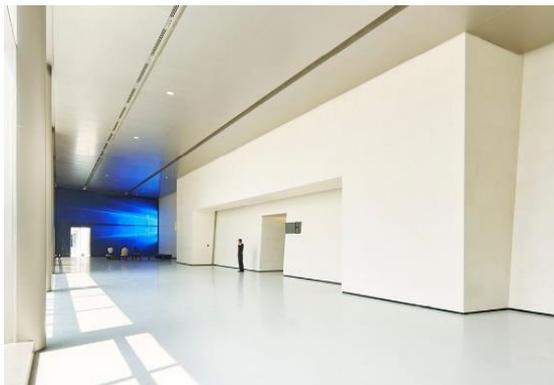
RS Group Building or the Company's new office features a total area of more than 62,845 square meters; it is divided into 3 main buildings and 1 car park. The design reflects the “Congregations Rhythm” style, with the use of a building façade to convey the entertainment and communications business. The 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, Clean, Sustainable and Modern style, with a focus on functionality. It is designed to support a variety of work and activities as follows:

Work: Focus on technology and innovations at the international level, especially in the production segment with live news broadcasting rooms, recording rooms and modern broadcasting rooms for radio programs. At the same time, attention is given to the design of the workplace to be flexible, with easy access to various working equipment.

In addition, there are rooms and showers for employees who work during the night as well as a café, canteen and dining pantry for employees in all areas. For sectional and hygiene, the areas can be easily 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 and continuously employs channels for opening and closing. By adopting glass as the main material, which reflects various things around the building, the building look to be in harmony with its surroundings. Also, it enables the most natural light to enter under the Open Space concept, which makes it look wide, airy and comfortable while saving electricity during the day as well.



Activity: Emphasize the open areas that can be adjusted for use according to various activities and users. Another important part of the new office, 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 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. Finally, 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 Building Maintenance Department has developed a maintenance plan and regularly inspects the systems within the building to be operating efficiently at all times.

3.4) Sustainability Management in Social Dimension

Social and Community Responsibility Policy

The Company believes that its business can grow sustainably with a good social foundation. Therefore, it grants importance to work that benefits society. Corporate social responsibility is not limited to internal personnel only, but it also expands to society at large, from trade partners and customers to communities and the overall society of the country. It covers care for and fair treatment of employees, human resource development in the organization, maintenance of the health and safety of employees, operations for the public interest and provide channels for complaints, including a mechanism to protect whistleblowers.

Good Practices of Corporate and Community Social Responsibility

- 1) Have a policy and practice that is fair and socially responsible. Do not engage in anything that would have a detrimental effect on the community, society and public interest.
- 2) Support the organization of social and community development activities by establishing a business and social innovation development policy that is clearly disclosed.
- 3) Be responsible to society and community, and operate strictly in accordance with laws covering labor and employment, regulations and laws related to social and community work.

Disclosure of Policy Compliance and Preparation of Social Responsibility Report

- 1) Not asking for, accepting or paying any benefits that involve dishonest transactions with partners and customers by following the Company's Anti-Corruption Policy. Conduct risk assessments and follow up on assessments from relevant departments. In addition, provide training and knowledge of such policies to employees.
- 2) Operate in accordance with the Policy of Respecting Intellectual Property of the Company, which offers clear guidelines not to engage in any action that would violate intellectual property rights, whether copyrights, patents or trademarks.
- 3) Establish policies, measures and mechanisms for the protection of whistleblowers. This affords the opportunity for stakeholders and employees to report wrongdoing, corruption, infringements or other matters that could be problematic directly to the Board of Directors of the Company. The Board of Directors would then assign a relevant department to investigate such claims and report back to the Board.

4) Prepare a sustainability development report covering social responsibility in the Form 56-1 One Report and disclose such information on the Company's website.

Fair Labor Treatment and Non-Discrimination Policy

The Company is committed to treating workers, including Thai and foreign workers, fairly by complying with various labor laws, rules and regulations as well as ethics. This is in order to create justice and equality, and not discriminate solely on the basis of differences in physical constitution, race, nationality, religion, gender, language, age, education and other social status. It covers women, the disabled and other disadvantaged peoples. The Company believes that its success comes from the creativity of each valued individual and through collaborative teamwork. Therefore, all workers of the Company are to be treated equally, with opportunities for personal development that leads to career advancement, to meet the business goals of the Company and further enhance the workers' quality of life.

The Company has allowed the establishment of the "Welfare Committee in the Workplace" under the Labor Protection Act 2541 (1998) as a channel for supervision, consultation and discussion between the Company and employees about welfare, benefits or changes in regulations.

Respect for Children and Human Rights Policy

The Company understands that human rights are fundamental rights and freedoms a person should have, covering society, communities and all stakeholders in the value chain, and places great emphasis on respect for human dignity, rights, liberties and equality of people. The Company does not discriminate on the basis of differences in physical constitution, race, nationality, religion, gender, language, age, education and other social status. Also, the Company fairly follows the guidelines for employees and workers in accordance with labor laws, rules and regulations related to labor of both Thai and foreign workers. It does not support child labor and forced labor, and is against all forms of human trafficking.

Development and Advancement of Employees Policy

The Company has created an organizational culture that cultivates the mindset of all directors, executives and employees to embrace a unified concept and work attitude. This starts with the main goal: “To inspire and fill people's lives with entertainment, products and services that are innovative and valuable” as well encompasses the four corporate values. Helping to unify the work perspectives and ideas of all employees, they include: Passionate, Inspiring, Inquisitive and Goal-Oriented.

In addition to creating a good corporate culture, the Company also regularly focuses on training and practice, to develop the knowledge and abilities of employees. It believes that this will foster a corporate culture that is of value to all employees as well as achieve a collaborative spirit, which lead to success according to the ideology and goals of the Company.

Management to Good Practices and Performance

The Company encourages employees at all levels to participate in various seminars and training courses, both held internally and externally. The curriculum levels are divided as follows: 1) Organizational Development; 2) Career Development; and 3) Employee Training and Development to promote the application of the acquired knowledge to improve performance on a continuous basis.

In 2021, the Company prepared a budget of 5 million baht for employee development and advancement in order to prepare employees to be sufficiently ready in challenging and competitive business operations and to grow together sustainably.

Staff

Building Employee Readiness

100 percent of new employees went through orientation from the People Culture (PC) Department

100 percent of employees set targets to measure job success (OKR)

Employee Engagement

80 percent of employees are committed to the Company (from a goal of 78 percent)

97 percent of employees have done an engagement assessment (from a goal of 100 percent)

12 percent rate of resignation from the Company

Employee Knowledge Management

3 courses for training employees at the Director and Senior Management level

3 courses for the development of online learning for the Company

30 hours on average of training for employees

Communities and Society at Large

96 percent satisfaction from participants in social and community activities (from a goal of 95 percent)

13 communities and 2 educational institutes within 2 kilometers from the Company have been

involved in organizing various activities 3 main activities for children, students and the elderly

400 hours of volunteer work from 80 employees of the Company

Supply Chain Management

99.32 percent (average) customer satisfaction (from a goal of 90 percent)

Think like RS: "I look for smart people to work with"



"I have to explain first that building up commanders in each business will include old and new appointments; at the same time, we look to the older ones as being in charge. However, this isn't the case for everyone. Here, I do not look at people in terms of job seniority but look at those who are capable. For example, the secondary tier of executives following the CEO includes people in their early 30 to those around 50 years. I think age is not important, but mindset and attitude are more important, especially with people who have experience through trial and error. When embarking on something new, they have to be open minded in terms of work experience and how they can seek help.

Therefore, these 4 values are not only related to purposeful rebranding. If the idea of working in the agile style, to reduce the complexity of work by adjusting the management team to speed up work, remains relevant, in the end, we will maintain the same strong team along with a new team that has ability to further drive the Company's business and make it even more powerful.

When choosing people, I look for intelligence because nowadays, it is difficult to find employees suitable for RS's business. What we do is to try to find people who are almost right, and who are smart as they will adapt and learn quickly. None of our jobs require candidates who are graduates in the job-specific field, so we need to see if the candidates are smart or seek to

learn. As there are two types of people: those who see new things as challenging and fun, and those who are afraid of new things. I view this as a difference, and it doesn't have to be complicated. For the middle management position, after HR has completed their selection, I will come to talk to the candidates myself. I don't care where they finished from and what degree *they* earned. Simply put, these were not my targets in the first place.”



As a result, I believe that when moving forward, it is imperative that the head of HR (Human Resources) becomes a partner with the CEO. As part of a modern organization, HR is not just a support function; HR represents my other arm. If you notice that we use the word “People”, it is because the organization will be strong from the strength of “People”, but HR has to make them and build them up into what we want.”

Part of an interview with Surachai Chetchotisak (Chief Executive Officer of RS Public Company Limited) from Prachachat Turakij on July 26, 2020.

Training Project on “Corporate Brand Building that Sticks in the Minds of Consumers”

By the very nature of the brand, one thing that brand builders have to accept is that "brands" are not things that are permanent. Despite being a brand that is popular or very famous, as the days go by, it may not always remain in the same state due to several reasons such as business competition, the changing times or need for brand enhancement, disruption from various circumstances and adjustments to the business strategy or management structure of the organization.

For rebranding, a lot of effort is required to create awareness and affinity among both new and existing customers of the brand. These days, it is important to do it in the right way and at the right time, as rebranding may result in existing customer dissatisfaction. Also, it could cause confusion among consumers in the market. However, having various appropriate plans in place and practice will help create successful results for the brand, building awareness among all employees in the organization as well as among a new target group for the brand, and changing the original image that has been stuck in people's minds for a long time.

For the Company, which has been rebranding since the beginning of 2020, the process started with internal restructuring to be aligned with the vision, mission and Entertainmerce Business Model. This was followed by a new RS logo, which offers a simple, clean and minimalist image with an international contemporary touch. It reflects a modern business that is in harmony with the environment, able to adapt quickly and is unafraid of challenges or disruptions.

On June 23, 2020, the Company organized a training for the current rebranding efforts, under the name “Corporate Brand Building that Sticks in the Minds of Consumers”. Its aim was for employees to be able to effectively communicate the changes to all stakeholders with a common understanding of the brand direction. The initial goal was to train 150 senior managers and related employees, which is 100 percent complete, and the Company will continue to communicate with employees throughout the organization on such matters.

The steady and continuous implementation of the said project resulted in the Company's ability to communicate in accordance with the set objectives. RS has been recognized by external agencies as well. Most recently, the Company won Outstanding Investor Relations Awards 2020 in the Business Excellence category at the SET Awards 2020 prize ceremony, organized by the Stock Exchange of Thailand and the Journal of Finance and Banking. It is an award given to listed companies that are outstanding in conducting investor relations activities that emphasize the participation of the entire organization in carrying out such activities. It is an honorable award and

a source of pride for the Company's team, encouraging the continuation of doing good things for customers, investors and shareholders in the future.

Performance Appraisal of the Executive Director, Chief Executive and Employees

1) Performance Appraisal of the Executive Director

Criteria

For the annual performance appraisal of the Executive Director consists of 2 types of evaluations combined, which are:

- The performance appraisal set by The Stock Exchange of Thailand to use as a guideline for annual assessments. This method includes qualifications, knowledge, competence, strategy formulation, supervision and monitoring of operations, as well as roles, duties and responsibilities and self-development of Directors. A score of 100 percent has been received, and is considered to be excellent.

- Using tools for setting goals and performance measures from the OKR system, to review performance including holistic and sustainable development performance in terms of the economy, environment, society and corporate governance; the assessment is conducted twice a year and the received score of 90 percent is considered to be very good.

Evaluation Process

Top management sets targets for measured performance at the beginning of the year, together with the Nomination and Remuneration Committee. Upon completion, the independent Nomination and Remuneration Committee assesses the results and reports the assessed criteria to the Board of Directors. The performance results are compared to the goals that have been set, both in monetary and non-monetary terms, for consideration of the remuneration of the Executive Director in the short term and the long term.

2) Chief Executive and Staff Performance Evaluation

Criteria

Includes the performance evaluation from the OKR system, with goal setting in accordance to SMART goals, which are specific, measurable, achievable, relevant company and team goals, and time bound. Goals and performance measures must be set twice a year, using a combination of two assessments, which are:

- Performance assessment, divided into levels 1-5
- Corporate values assessment, divided into levels A-C

Evaluation process

Top management and staff speak with their supervisors about progress, problems encountered, deals, suggestions and success in the past half of the year. They then set goals as agreed upon by the supervisor and record them into the system. By the due date, completed records of the actual performance are entered into the system. The PC department will then compare and rank performance amongst a set cohort of employees. This assessment's results are referenced for consideration of compensation. Assessments are analyzed to determine the potential sustainability of the employee's development framework.

The results from the evaluation of top management, senior management, and staff are gathered and reported to the meeting of the Board of Directors for consideration in terms of providing guidelines to improve future operations.

The Company assesses work performance, and conducts regular reviews, allowing employees to adapt and progress continuously. It also enables supervisors to take part in solving problems in a timely manner. Achieving these goals is important to the Company's success in the short and long term. Success is a result of adapting the Company's business model. This occurs mostly through employees at the operational level. Therefore, it neither affects the management structure and core business operations, nor does it impact the interests of the Company's shareholders to a significant degree.

The turnover rate of permanent employees

Year	Total Employee	Resign	%
2020	1,386	125	9.02
2019	1,073	218	20.32
2018	1,056	212	20.08

The turnover rate as a result of changing the business model of the company and most of them are employees at the operating level. Therefore, it does not affect the management structure and main business operations. Including does not affect the interests of the shareholders of the Company as significantly

Good Practices for Enhancing Employee Satisfaction and Engagement

1) Communicating with the organization: Top management and senior management set the vision and goals, and communicate the Company's expectations to the staff for acceptance and understanding, using incentives such as praise and compensation to help increase employee morale.

2) Creating a sense of belonging: Once employees understand the goals of the organization, it creates unity between employees and the Company, fostering pride and a sense of dedication towards achieving the most productivity.

3) Investing in human resource development based on the idea that "all human beings need recognition and want to improve themselves at all times". The Company promotes human resource development in various fields, including professional skills, education, life experience, as well as building leadership skills. It also focuses on allowing employees to practice additional skills. Employees will also have an opportunity to develop themselves while attracting more potential employees to the Company.

4) Listening to the voice of employees: Evaluating employee satisfaction and engagement within the Company is essential to both survey opinions and understanding the needs of employees, as well as for formulating plans to improve and develop policies.

5) Designing activities and relaxing spaces for employees: Creating activities for employees to live together, will help build a sense of familiarity and dissolve the behavior of each other as well, and providing an informal shared space for rest area will help employees relieve stress, while helping to build better relationships between employees.

Operations to Enhancing Employee Satisfaction and Engagement

In 2020, the Company first introduced an employee satisfaction survey. The survey was conducted twice, during the first half and second half of the year. The results recorded in the first half of the year included a total score of 78 percent and the second half received 80 percent. This achieved the set target of 78 percent, or improvement upon the initial score. The results were sent via email to all within the Company, both to inform supervisors as well as to notify employees.

Afterwards, the Company analyzed the survey results and found that management of organizational structure is essential and impacts the Company's current situation. Therefore, the goal is to move towards development of "Modern organizational management" to improve understanding and increase employee engagement.

“Modern Organizational Management Must Look to the Future” Program

Due to disruptive technology, companies must adapt to changing and modern situations. In order to develop a business that continues to move forward, it is necessary to implement appropriate management processes and develop modern organization structures. Therefore it is important that companies pay more attention to following these below guidelines.

1) Value the cooperation of employees, by providing staff with an accurate and clear understanding of the situations that arise. This builds confidence, which results in cooperation. During the lockdown, management communicated via short videos to build employee morale.

2) Implement processes that help employees learn and develop themselves through education, organize training to build diverse skills that are useful for the various roles, as well as to give employees the opportunity reflects critically, present their views and take action on their own.

3) Flexibility in regulations, at the beginning of the year, employees moved to the new office, which include a full range of facilities, to adapt to the lifestyle demands regarding welfare and working hours that offer a more desirable work-life balance for younger employees.

4) Looking forward into the future, “New Normal” became a widely used phrase this year, and management has emphasized a “New Standard” of work performance that is more suitable for the Company. The Company subsequently transformed the organization and restructured the management team, and readjusted its modern organizational structure into a flat organizational structure. These changes resulted in a faster work pace and increased flexibility to suit a variety of situations. Forthcoming is the implementation of the OKR system, a measure used by many leading global organizations, to set large goals for the Company. The system allows each division to participate or find a suitable work method to reach a common goal together. The approach is flexible and appropriate for a modern workforce, and creates a new standard of work for the modern organization. From the executive perspective, this will create sustainable success into the future.

As a result of the aforementioned measures, the Company is now an organization that is well-recognized and widely-regarded. However, it will not cease to develop and create even better standards of work to inspire and create happiness for people in a sustainable way.

Employee Engagement Activities

All Hands Town Hall Meeting
 17.12.20
 2PM at Rose Hall

กำหนดการประชุมออนไลน์ถึงงาน และในสัปดาห์ที่ 2563 เพื่อขับเคลื่อนองค์กรสู่เป้าหมายครั้งใหม่ ร่วมกันด้วย Passion to Win

All Hands Town Hall Meeting
 06.08.20
 2PM at Rose Hall

Town Hall Meeting

กิจกรรมสำคัญในช่วง 95 สัปดาห์? แก้ไขข้อขัดข้องของพนักงาน? ถัดจากนี้เราจะทำอะไร? ร่วมกันคิดค้น

Mini Core Values Workshop
 วันที่ 21 ตุลาคม 2563 เวลา 14.00 - 16.00 น.
 ที่ Rose Space ชั้น 1 Lobby C

Mini Core Values: Inspiring, Proactive, Inquisitive, Goal-Oriented

SD โซไซตี้...สังคมดีๆ เพื่อความยั่งยืน

สวัสดีเพื่อนๆ ชาวอาร์เอสทุกท่าน

News: "พิชิตขยะอินทรีย์" ขุดหมักปุ๋ยธรรมชาติ

Know: "เรียนรู้วิธีการแยกขยะตามถังที่สี"

MAKE CIRCULAR ECONOMY RETURN USE

Internal Communication Knowledge

People E-Newsletter
 December 2020

ORGANIZATION DEVELOPMENT

OKR: พัฒนาประสิทธิภาพของบุคลากร RS GROUP 8 สาขาที่ 2564 พัฒนาขีดความสามารถของบุคลากร RS GROUP สาขา PC พัฒนาขีดความสามารถของบุคลากร RS GROUP สาขา PC พัฒนาขีดความสามารถของบุคลากร RS GROUP สาขา PC พัฒนาขีดความสามารถของบุคลากร RS GROUP สาขา PC

HOT JOBS

1. Full Stack Developer - Technology
 2. Software Developer - Technology
 3. News Reporter - Channel 8
 4. Creative Marketing - Channel 8
 5. Online Marketing Manager - Channel 8
 6. Producer - RS Mail

จับใจรางวัล

RS GROUP Money Expo 2020 "พบกรรมการบริหารและการจัดการรางวัล" ที่โรงแรมเซ็นทารา 26-27 พ.ย. 63

Employee Engagement Survey

กรุณาตอบแบบสอบถามสำรวจความคิดเห็นจากพนักงาน RS GROUP เพื่อใช้ในการพัฒนาองค์กรให้ดียิ่งขึ้น

สมาชิกใหม่ PC

แนะนำพนักงานใหม่ของ PC กลุ่ม ผู้จัดการ, Talent Acquisition

Relationship and Relaxation Activities

Normal : 5 Less is More ... ปรับทัศนคติ เปลี่ยนชีวิต

1. Paper Less - Digital More
 2. Waste Less - Conserve More
 3. Chat Less - Talk More
 4. Chew Less - Share More
 5. Desire Less - Appreciate More

ประกาศผลรางวัล กิจกรรม Teamwork

รางวัลชนะเลิศ: ทีมงานจากสาขา...

รางวัลชมเชย: ทีมงานจากสาขา...



Health and Safety in the Work Environment

Hygiene

100 percent of new employees received a health risk assessment before starting work

100 percent of permanent employees received an annual health check-up

Safety

0 cases Casualties from work operations (from a target of 0 cases)

0 cases Illness to the point of permanent loss of physical function (from a target of 0 cases)

0 cases Safety incidents and accidents in production processes (from a target of 0 cases)

0 cases Injuries resulting in more than 3 consecutive days of missed work (from a target of 0 cases)

0 cases Accident rate per a million hour (from a target of less than 0.50)

Cyber Security and Security of Personal Information

0 cases Leaks of information to external sources

0 cases Claims from clients in terms of personal data violations

0 cases Claims from employees in terms of personal data safety

100 percent Related employees received training on cyber security

Safety, Occupational Health and Workplace Environment

The Company understands that employees are integral to its success, with a focus on managing occupational safety, health and the workplace environment, whether it relates to personal safety or safety related to business operations. All activities that occur must get a risk assessment from a competent person, along with establishing appropriate preventive control measures. This includes keeping a close eye on work processes to prevent loss or impacts that effect employees or any involved stakeholders.

Good Practices

1) The Company considers safety, occupational health and workplace environment as the duty of employees at all levels, and necessitates cooperation to ensure the safety of both themselves and others.

2) Encourage all employees to maintain a healthy mindset throughout work operations to ensure occupational safety and health in the workplace environment.

3) Promote and support the improvement of the work environment and safe work practices, as well as appropriate use of personal protective equipment, and maintaining the good health of all employees.

4) Support and promote activities related to occupational safety, health and workplace environment that benefit everyone's wellbeing.

5) All employees at the supervisory level must oversee and be responsible for the safety, occupational health and work environment of their subordinates, in strict accordance with the rules and regulations.

6) Monitor and evaluate the implementation of the policy on occupational safety, health and workplace environment. Adopt rigorous practices in accordance with regulations and safety work standards.

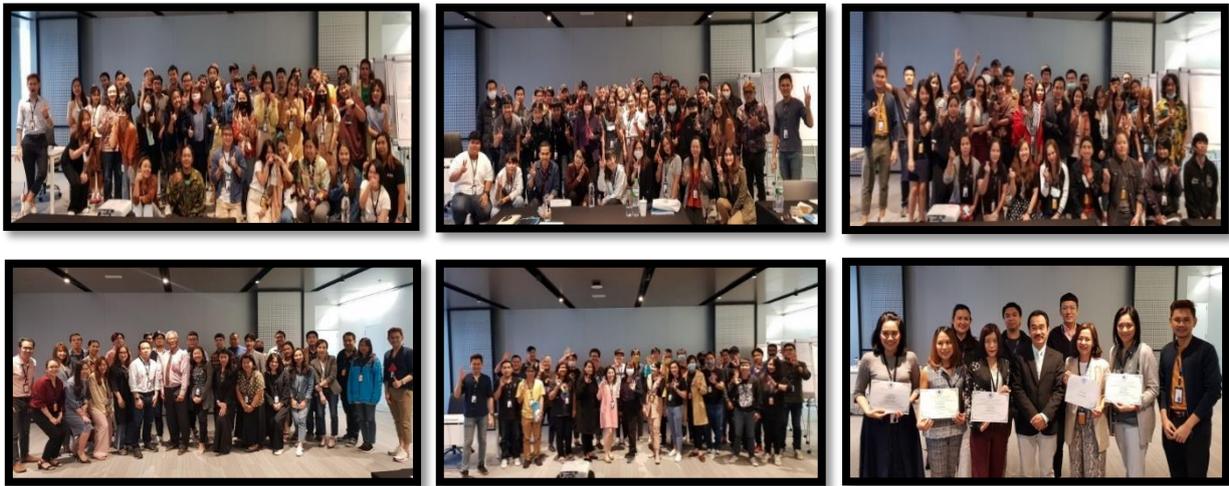
Occupational Safety, Health and Workplace Environment Committee

The Company established an Occupational Safety, Health and Workplace Environment Committee, in accordance with Ministerial Regulations on the Standard for Administration and Management of Occupational Safety, Health and Workplace Environment B.E. 2549, dated May 16, 2006. The Committee convenes once a month. The representatives of both employers and employees must consider the policies and work safety plans regarding prevention and reduction of accidents involving employees and third parties. Additional mandates are to promote and support activities related to safety training.

Training Program for Occupational Safety, Health and Workplace Environment in 2020

The Company emphasizes safety within the workplace. The Asset & Facility Management Department provides a training course to develop an understanding of safety and cooperation with safety staff, in order to achieve the best methods for work safety prevention. This is in accordance with the Ministerial Regulations on the Standards for Administration and Management of Occupational Safety, Health and Workplace Environment B.E. 2549 (2006). Training was given by speakers from Safety and Health at Work Promotion Association (Thailand) under Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn Siam Boromrajakumari, which is a training agency registered by the Department of Labor Protection and Welfare. The content of this training consists of a pre-training test, education, group activities on workplace safety activities, and a post-training test.

Training Programs/Hour	Target Group	Total (Person)	Date
Safety Officer Supervisor Level / 12 hours	Supervisor Level	36	19-20/10/2020
Safety Officer Management level / 12 hours	Management level	12	3-4/11/2020
OIC Act for employees / 12 hours	All employees	160	16-19/11/2563
Fire Drills and Fire Evacuation / Annually	All employees	60	18/12/2563



Fire Drills and Fire Evacuation Drills in 2020 at RS Building”

In 2020, for the first time, the Company relocated its headquarters. Therefore, safety is a priority and safety measures should be implemented as soon as possible, as it has immediate impact on the lives and property of employees and the Company. The Building Management and Engineering Department, together with the Asset Management Department, provided the “Basic Firefighting and Evacuation Fire Drill Training 2020” on December 18, 2020. The purposes of the training courses were to provide trainees with knowledge and understanding of workplace safety, as well as training on occupational safety, health and environment within the workplace in accordance with the Ministerial Regulation on the Standards for Management and Operation for Occupational Safety, Health and Environment Regarding Fire Safety Policy and Procedure B.E. 2555 (2012), dated December 7, 2012. In Clause 30, it requires the employer to arrange for practice in fire 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, receive the training together. The training was organized and conducted by speakers from the Bang Khen Fire and Rescue Station, covering both basic firefighting training and fire evacuation.



Structuring Information Security Organization

1) Information security and cyber security

The Company understands and recognizes the importance to the security of information and information systems, as well as the security of users' personal data in its various forms within the Company. Nowadays, information systems are essential for facilitating any operation, by allowing quick access to information. It also enables effective communication, and provides operational cost savings for any agents that operate over the Internet; for example, sending emails, maintaining websites, etc.

Although information systems improve processes in different fields, they also introduce risk and may cause harm or damage to business operations. This happens as information is shared across networks, and between nodes and servers, which may be penetrated by malignant parties. This can result in computer crimes such as malicious programs or intrusions that disrupt the system, causing it to become unusable; it also includes data theft and other cyber-attacks.

Therefore, the Company has established a policy on information security and cyber security as a framework for maintaining information security, based on ISO / IEC 27001: 2013, an internationally recognized standard for corporate information security. The objectives of the policy are:

- To build confidence, efficiency, and to improve security regarding the use of information technology systems and Company's computer network
- To aid staff, at all levels within Company, acknowledge and rigorously follow the policy
- To define responsibilities in the case that computer systems or information is damaged or threatened by a cyber-attack, to harm to the Company or anyone due to a defect, neglect, or breach of compliance with the Information Security and Cybersecurity Policy. Any service users or any persons who cause damage or harm will be responsible for all risks, damages or harms caused, in accordance with the Company's regulations and related laws

2) Security of Personal Data

At present, the Company's information technology system supports its business operations, helping it to become a leader in the entertainment business. We use our own tools and communication space to create music, television media, radio and digital platforms that are compatible with the lifestyles of the younger generations. This also include our virtual mall business that offers a complete range of products and services.

To achieve our vision and mission, it is imperative to have security management for information technology and the protection of customers' personal data in accordance with the law. Therefore, the Policy on Personal Data Protection must be applied within the RS Group to ensure that business operations are not against the law. This also includes the preparation of a privacy notice with which to notify owners regarding personal data details, and how RS Mall customers' data is processed. Henceforth, the commercial side of the business will be the main focus of security and protection, related to customer personal data. This includes: 1) Website platform (www.rsmall.com); 2) Call center system (02-023-5555) and other numbers; 3) Social media platforms such as web chat, Facebook, and Line, and / or any other service channels that will be available in the future (henceforth referred to as "RS Mall").

RS Mall recognizes and values the privacy and security of the personal data of service users of RS Mall ("users" include those who register as a user with RS Mall on any channel and / or visit any of RS Mall's sales channels). The purpose of collecting, storing, disclosing and transferring personal data is to build a user database of RS Mall's service in order to provide users with the best service and to improve the services' efficacy. RS Mall collects user data to the extent necessary under the legal regulations enacted in Thailand in order to contact users to notify them of service, order status and delivery. For the purposes of improving the efficacy of RS Mall services, including product analysis that meets user needs, and the tracking of product delivery to inform users in case of delay and other reasons. To benefit the user, please read our Privacy Policy to understand that RS Mall will collect, store, disclose, transfer and maintain the personal data of users for: 1) Storage of personal information; 2) Use of information and transmission of personal information; 3) The right of RS Mall to disclose personal information; 4) User's rights and access; 5) The safety of user's personal information, accessibility and correction of user's personal data; 6) Minors (persons under 20 of age); 7) Computer data storage; and 8) Spam, spyware, or virus. To help users understand the Privacy Policy relating to how the Company will

collect, use, or disclose user's personal information and for what purposes, visit <https://www.rsmall.com/page/privacy-policy>

The Company recognizes the importance of ensuring relevant knowledge is accessible to the coordinator for the Protection of Personal Information, as well as party observers, as stipulated by the Personal Information Protection Act B.E. 2562 (2019). We implemented a program to train and improve processes and systems to comply with the Personal Data Protection Act B.E. 2562 (2019) with a target group size of 42 people, categorized by type of work performed. In 2020, five groups of 42 such employees received training, accounting for 100 percent of the target.

In the first quarter of 2021, the Company has started in "Cyber Security and Prevention Training Program" to all most executives and employees with a goal of 100 percent to ensure that employees will have knowledge and understanding and can apply the knowledge gained from the training to apply in daily life. Including employees can transfer knowledge to raise awareness of cyber threats to family and those around them, such as checking for phishing emails, proper use of customer information, and non-breach of customer data, etc. In this first step, have 76.71 percent of the participants in the training and the exam passed the assessment criteria, and there is also a plan to organize continuous training for the rest of the former employees, employees who fail the assessment criteria, including training for new employees every orientation round. To be a part of "Creating a truly cyber security society"

Business and Social Innovation Policy

The Company are committed to innovate and develop a comprehensive range of products, services and processes that are beneficial, build a competitive edge and create value for the Company. They take into account the potential impact on communities, society and the environment. We intend to demonstrate a readiness to create shared values between companies and all stakeholders.

Good Practices to Business and Social Innovation

- 1) Analyze the Company's work operations in detail in order to create opportunities for development and innovations, and to put them into practice
- 2) Encourage creativity amongst individuals within the Company, allowing for continuous innovation

3) Promote and cooperate with the Company's stakeholders, such as trade partners, to develop innovations that are socially and environmentally responsible

4) Foster knowledge from internal and external training programs

5) Seek a channel for business alliances with various sectors such as government agencies and educational institutions, with diverse expertise to create ideas for development and lasting innovation

“Green Packaging, New Thinking, New Doing, Caring for the Environment Project”

A key supply chain option, for the New Normal shopping situation



At the end of 2019, there was approximately 28.7 million tons of solid waste, a 3 percent increase from 2018. It was sorted at the source and 44 percent was recycled, amounting to 12.6 million tons. Properly disposed recycled waste and organic fertilizers comprise 10.3 million tons (36 percent). The amount of disposed waste has increased by 11 percent since 2018. The reason for the increase is the expansion of urban communities, an increase of the hidden population of migrant workers in Thailand,

tourism promotion and the consumer behavior of convenience such as delivery of online products and food ordering services *



The increase of waste during the Covid-19 epidemic reflects the trends reported by the Digital Economy and Society Council Industry Overview for 2020, which found that the most popular online businesses are e-commerce. E-commerce has grown to 748 billion baht, and it holds the top position within the ASEAN region. Between 2017 and 2020, the average growth rate was estimated at 20 to 30 percent. Businesses that demonstrated significant growth

include: 1) Department stores; 2) Food related products; and 3) Cosmetics and food supplements. This is a result of the inclusion of online channels and delivery technologies**



During the same period, the Company developed a new business model that combines commercial and entertainment businesses, creating a new concept: "Entertainmerce". The purpose of this new business model is to deliver a more convenient and faster online shopping experience via various platforms that are ready to fully advance the concept of business operations for all stakeholders. It focuses on supply chain improvements, modifying packaging from a simple corrugated box to a green carton and utilizing

the innovative "G Technology", an environmental technology invented by a team of experts. As a result, this new packaging reduces the consumption of production resources by at least 25 grams per square meter, yet it is able to retain 4 to 25 percent better load-bearing capacity and product protection compared to conventional packaging. These green packages are used for the Company's products as well as products from trade partners.

It is also certified by Eco Value and ISO 14021, which provide eco-friendly product and service labeling that takes the needs of stakeholders into account. It considers the effects throughout the life cycle of the product. With a design that reduces the use of raw materials, energy consumption, waste, water consumption in production, material usage and renewable energy, recycling, and greenhouse gas emissions, the green packaging truly represents care for the environment.*** It also helps reduce the cost of outer packaging as a part of the cost of production as well.

In addition, the Company organized a "Paper Merci, Separate, Exchange, Conserve Program" to bring used paper from the office through a recycling process, producing a new paper marketed as "Love us, Love Earth". For more details about the program, contact "Passion for Green".

Source: * GNEWS, Ministry of Natural Resources and Environment ** Siam Rath, Trend of Thai Digital Industry Year 63 *** SCG Green Packaging

Participation with Society and Community Policy

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 our business operations and continuously organizing social activities, especially in the communities around the Company's location. Furthermore, employees are encouraged to take part in these activities to help raise public awareness of employees. The benefits gained are acceptance and trust from society and communities that live together in sustainable harmony.

Passion to Share, “The Secret of Happy Life Project”



In 2020, the Company focused on an area of neighboring communities within 2 kilometers, covering approximately 560 square kilometers. It includes more than 5,060 households, and 15,141 people divided into 10 communities and 3 government agencies. We are collaborating with the Chatuchak District Office to take part in developing the quality of life of the people

in the community and to meet their needs. There are three outstanding concerns, which are low income, drug use and health issues.



The Passion to Share project, with the motto, “The Secret of Happy Life”, was organized to achieve the objectives of sharing information, and fostering understanding of holistic health care. The Company has considerable knowledge in this field and organized 3 activities including:



1) “Eat Well” activity by Khun Waewta Ekchaowna, Nutrition Therapist and Health Food Specialist, and Dr. Chakrit Pichayangkul, Chief Business Officer of Lifestar (RS affiliate) who provided information on food that helps slow the aging process



2) “Kindness” activity by Brother Min, Phra Sumin Kampirapanyo (Intajak), telling simple Dharma stories to help let go and to enjoy the gift of giving



3) “Healthy Body” activity by Mr. Pongraphat Sena, Physical Therapist, who teaches simple exercises to the elderly, which can be done at home; these collaborations can lead to the development and enhancement of the quality of life of the people in the community



In addition to providing information and fun activities, the Company also collaborated with Grand Sport Group Co., Ltd. donating sports equipment such as soccer balls, takraw balls and badminton rackets to the communities, which promotes health and strengthens relationships within the area.

Other Social Activities

“RS GROUP Edutainment” Project



The Company shares its knowledge of business operations in the digital age with university students. It is one of the social activities focused on education, intended to provide knowledge, business expertise and experience in transforming the Company from one engaged in the entertainment business to the commerce

business. The Company has gained considerable recognition and has even become a case study used by domestic and international experts and organizations to educate younger generations. Students from the Faculty of Commerce and Accountancy of Chulalongkorn University as well as students at the Faculty of Business Administration of Sripatum University, more than 250 people

in total, attended a lecture to gain knowledge for application to future projects. These programs inspire and drive personal development before individuals enter the real workforce.

“Channel 8 News: Share by Heart with Love” Project



The generosity of the Thai people is never lost. Channel 8 together with HomePro and many private sponsors passed on positivity to the communities in Bangkok. We organized a “sharing booth” project to help alleviate the suffering of communities in need as a result of the Covid-

19 epidemic. Along with the Executive Editor of Channel 8 news, there were celebrities, actors and broadcasters that helped install the sharing booths and offer donations. In collaboration with private partners, we were able to support 4 communities including Wat Lak Si, Wat Lad Pla Khao, Nakhon Luang Senanikom, and the community in front of Chokchai 4 Police Station.

“Channel 8 Unites to Help Medical Teams Fight Covid-19” Project



Channel 8 understands the importance of helping healthcare workers. The “Channel 8 Unites to Help Medical Teams Fight Covid-19” project was organized to serve as a medium for collecting donations from all over the country, and it received over 3.1 million baht. Part of the donation money was given to the Police General Hospital, while the rest was used to purchase necessary medical equipment such as N95 masks, protective suits and disposable coveralls, oxygen detectors, face shields and infusion pumps, which were later delivered to 6 hospitals near the southern border of Thailand, including Yala Hospital, Bannang Sata Hospital, Pattani Hospital, Yarang Hospital, Narathiwat Ratchanakarin Hospital and Rueso Hospital. A group of artists of Channel 8 volunteered to pack the donation items. The Governors from Yala Province, Pattani Province and Narathiwat Province served as provincial representatives to receive the medical equipment and ensure delivery to the 6 hospitals.

“Purchasing Respirators for Covid-19 Patients at Police General Hospital” Project



Amid the Covid-19 situation, the number of patients is growing on a daily basis. As a result, hospitals lack necessary medical equipment. The Company donated 2 million baht for the purchase of respirators to the Police General Hospital to better handle the ongoing epidemic.

Police General Chakthip Chaijinda, the Commander of the Royal Thai Police, and Lt. Col. Vitoon Nitivarangkun, Chief Medical Officer of the Police General Hospital, received the donations at Phrom Nok Room, 2nd Floor, Royal Thai Police Headquarters.

“Save Earth, Reduce Global Warming” Project



The campaign to reduce the use of plastic bags received a great response from society as a whole. The Ministry of Natural Resources and Environment (TSR) announced regulations to ensure department stores, supermarkets and convenience stores refrain from

giving plastic bags to customers, beginning January 1, 2020. It is the first step towards reducing environmental impacts on the roadmap for Plastic Waste Management for the years 2018-2030. The main objective is to reduce, stop the use of plastic bags and reuse plastic waste in the most beneficial ways possible. Channel 8 together in collaboration with Bangkok Mass Transit System Public Co., Ltd organized an event called “Save Earth, Reduce Global Warming”, encouraging people to use fabric bags instead of plastic bags at BTS National Stadium Station.

Collaborations with Agencies to Support Social Development

In 2020, the Company collaborated with agencies to organize social development projects, including:

- | | |
|--|--------------------------------|
| 1) In education and youth development | Total amount of 215,342 baht |
| 2) In social and environmental development | Total amount of 1,394,550 baht |
| 3) In religious and cultural development | Total amount of 129,000 baht |

The overall amount was 1,738,892 baht or 0.03 percent of total income.

In addition, the Company was a conduit for viewers, listeners and customers to donate a total amount of 3,510,282 baht to the projects.

Supply Chain Management Policy

The Company pays attention to the production process, both upstream and downstream. We promote good business practices within the framework of our operations and manage supply chains responsibly in economic, social and environmental aspects. We focus on key indicators in terms of product and service quality, management, operating time and customer satisfaction. The executives and employees have solid relationships with suppliers so that all stakeholders in the supply chain can share mutual benefits, sustainably.

Major Suppliers, by Category

The Company has guidelines for both old and new suppliers as detailed below.

1) Supplier categories, and the criteria for selection include:

- Primary suppliers refer to suppliers with high expenditures, hard-to-find replacement products, the main raw materials used in strategic production at high to extremely high risk. The Company arranges visits, ensures quality control and collaborates to reduce risks in various fields to align with the supplier's sustainability practice guidelines. This ensures that our partners will be able to manage the risk at the very lowest impact possible.

- Secondary suppliers refer to those with moderate to low expenditures and do not belong in the primary supplier category. The Company plans to use a supplier assessment based on the supplier's sustainability practice guidelines to ensure that these suppliers manage the Company's supply chain well.

2) To identify risks related to suppliers, the Company has adopted a framework of risk management throughout the organization. It consists of a comprehensive consideration of all relevant criteria, as explained below.

Aspects	Consideration of Criteria
Economic	Price, quality, delivery time and credit term
Environmental	Impact, power consumption, greenhouse gas emissions and waste management
Social	Safety, human rights, copyrights and violation of intellectual property
Corporate Governance	Legal disputes, fair competition, no trade barriers, trade policy

In 2020, we categorized and identified the risks associated with each supplier, and found that economic risks are an important issue. We diversified our reliance beyond a few suppliers for our best-selling products, by finding suppliers with comparable standards.

Tax Compliance

The Company is committed to conducting business with transparency and honesty, and is therefore committed to conducting tax operations and utilizing tax incentives correctly, in order to achieve maximum efficiency under the law's requirements. This also includes complying with financial and tax disclosure regulations of the government and all stakeholders in accordance with the Principles of Good Corporate Governance, Code of Conduct and sustainability guidelines. The Company focuses on economic growth, development and social responsibility as we believe that good tax responsibility is a part of the development for the overall economic and social aspects of the country.

Good Practices

- 1) Appropriate compliance with the laws and regulations related to tax management in each country in which the Company operates
- 2) Tax planning and the proper use of tax benefits in accordance with laws and regulations including using the tax structure in the correct method to avoid causing tax evasion
- 3) Delivering and claiming tax returns within the time defined 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 there are new tax laws or policies enacted or the Company has new transactions, and consider how they benefit the Company
- 5) Appoint a consultant with expert knowledge and understanding of taxation in order to comply with the law and to operate correctly, and reduce the risk of tax disputes, including arranging to have a person responsible for providing facts and information on the Company's operations available upon request
- 6) Encouraging involved personnel to develop tax knowledge in order to be able to operate the business properly

Tax Reports

In 2020, the Company has profit before tax of 665,546,724 baht and income tax of 137,269,081 baht, based on the 20% according to the actual tax rate, which was different from the effective tax rate paid 19.56 percent.

List of tax privileges received in 2020 as follows:

Royal Decree No. 437 Re: Employee training expenses

Royal Decree No. 604 622 642 Re: Promotion of investment in assets

Customer Satisfaction Development Policy

The main objective of the Company, in addition to generating profits and growing economically, is to focus on developing and delivering an excellent pre-sales and post-sales service experience comparable to international standards. We aim to create standards for customer relationship management throughout the organization. This includes building skills of employees who are responsible for customer service, with the right knowledge and a love for service, as well as making safety precautions for our customers a priority, to promote ourselves as “Your Partner in Health and Wellbeing”.

Good practices for Developing Customer Satisfaction

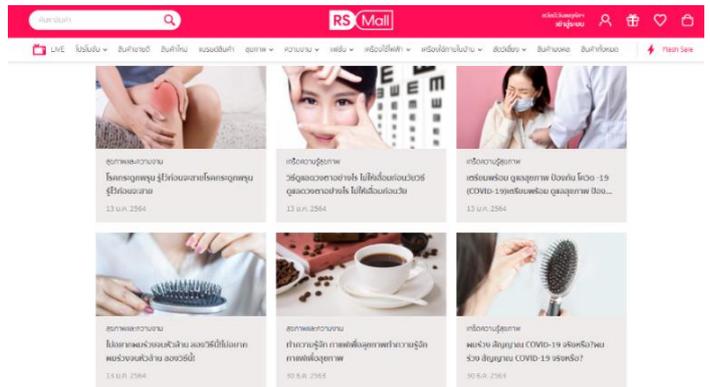
We established a customer relationship management strategy for the period 2020 - 2022 in accordance with Standard Measurement for RS Mall Contact Center. It aligns with our business model and customer satisfaction development policy. Our policy covers goal setting, a plan to create and assess satisfaction, as well as good practices for service quality management in order to create trust and maximum satisfaction for all customers.

Customer Satisfaction Assessment

We evaluate our achievements relating to customer satisfaction through the “Customer Satisfaction Assessment of our Products and Services” program and “We understand You” program. We study the needs of our customers based upon their complaints. We conduct a survey using a methodology of one-on-one interviews and telephone interviews. We then analyze the evaluation results in order to develop and improve service quality to achieve continuous development of business processes.

Performance

“Customer Satisfaction Assessment of our products and services” program. The average customer satisfaction level is 99.32 percent, beyond the target of 90 percent. We also utilize assessment results in the “Telesales Group Employee Development” program to raise the level of customer satisfaction “We understand You” program



We use the assessment results in the “Innovation Development with Suppliers” program. In addition to the aforementioned operations, we aim to continuously provide knowledge on health and wellbeing to our customers and the general public. We aim to achieve our main goal: “RS is ready to inspire and fill people's lives with creative and valuable products and services”.

4. Management Discussion and Analysis



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, per the schedule.

Business groups	Type										
1) Commerce business	<ul style="list-style-type: none"> • Health & Beauty Products <ul style="list-style-type: none"> - The Skin Care Products (“Magique”) - Hair Care Products (“Revive”) - The Food Supplements Products (“S.O.M.” and “Vitanature+”) - Bird’s nest Products (“Reju”) • Fashion, Electrical Appliances & Home Appliance 										
2) Media business	<table border="0"> <tr> <td>Television Media Business</td> <td>“Channel 8”</td> </tr> <tr> <td></td> <td>“Channel RS Mall”</td> </tr> <tr> <td>Radio Media Business</td> <td>“COOLfahrenheit”</td> </tr> <tr> <td></td> <td>“COOLive”</td> </tr> <tr> <td></td> <td>“COOLanything”</td> </tr> </table>	Television Media Business	“Channel 8”		“Channel RS Mall”	Radio Media Business	“COOLfahrenheit”		“COOLive”		“COOLanything”
Television Media Business	“Channel 8”										
	“Channel RS Mall”										
Radio Media Business	“COOLfahrenheit”										
	“COOLive”										
	“COOLanything”										
3) Music & other businesses	Digital Business, Copyright Collection, Artist Management, Concerts and Marketing Organization										

Summary of 2020 Performance

The overall Thai economy in 2020 was affected by Covid-19 outbreak. In particular, export and tourism sectors have been continuously affected by disease control measures, including the lockdown of the country as well as international travel restrictions. The export sector continues to weaken in line with subdued demand from trading partner countries and a stronger baht currency. Meanwhile, spending and public investment continue to expand and play an important role in supporting economic recovery. Also, private consumption recovered in the 4th quarter of 2020 due to the government’s stimulus measures. Consequently, the Thai economy contracted in 2020 by 6.1 percent, compared to the growth it experienced in 2019 by 2.3 percent.

However, from rapid and continuous business agility, efficient customer’s database management and all types of content utilization to reap the maximum benefit, the Company’s consolidated financial statements for 2020 showed that show net profit attributable to the parent

company in the amount of 528.3 million baht, compared to 363.3 million baht in 2019, which increased by 164.9 million baht or 45.4 percent. It was a result of the growth from the commerce and television media businesses by 18.4 and 7.4 percent respectively. As for music and other businesses, the organization of events and concerts still need to be tightened, in line with lockdown measures. In addition, the Company's gross profit margin was at the high level of 53.1 percent, which was better than 44.1 percent in the previous year, as a result of the increased commerce business revenue with high gross profit margin and higher contribution to the Company at 63.1 percent of total revenue. A cost management has been more effective. However, a higher selling and administrative expenses from commerce business was due to purchasing external media and increased staff expenses in proportion to its business growth.

Unit: million baht	Year 2019		Year 2020		Change	
	amount	%	amount	%	amount	(y-y)
Revenue from sales and services	3,611.1	100%	3,774.2	100%	163.0	4.5%
<i>Commerce business</i>	2,012.4	55.7%	2,381.8	63.1%	369.3	18.4%
<i>Media business</i>	1,069.2	29.6%	1,148.2	30.4%	78.9	7.4%
<i>Music & other businesses</i>	529.5	14.7%	244.2	6.5%	-285.2	-53.9%
Cost of sales and services	2,020.0	55.9%	1,768.7	46.9%	-251.3	-12.4%
Gross margin	1,591.2	44.1%	2,005.5	53.1%	414.3	26.0%
Selling and administrative expenses	1,099.8	30.5%	1,316.6	34.9%	216.9	19.7%
Operating profit	491.4	13.6%	688.9	18.3%	197.5	40.2%
Finance costs	34.6	1.0%	36.1	1.0%	1.5	4.3%
Net profit/(loss)	363.3	10.1%	528.3	14.0%	164.9	45.4%

Revenue

Revenue from sales and services in 2020 posted 3.77 billion baht which increased from the previous year by 163 million baht or rose by 4.5 percent. This can be explained according to the following business segments.

Revenue from Commerce Business

Revenue from commerce business consists of revenue from selling of products under the Company's own brand under Lifestar Company Limited as well as products from partners. The items are sold through RS Mall and COOLanything' various channels, including digital TV Channel 8, radio media, online and through retail stores throughout the country. The Company also

collaborates with other leading digital TV and satellite TV channels to continuously expand sales and distribution channels.

Revenue from the commerce business in 2020 was 2.38 billion baht, the highest it has ever been, an increase of 18.4 percent from 2019 at 2.01 billion baht. Although the Thai economy remaining adversely affected by Covid-19 situation, the success of expanding both offline and online sales channels, the ability to offer a variety of advertisements and products that are tailored for each type of content and time period, and also continuous improvement of the telesales system and capabilities, the number of customers in the database has increased to 1.6 million customers at the end of 2020 and continues to grow. In addition, the Company focuses on customer database management as the higher precision of the PDS system enables telesales staff to contact more customers, analyze customer database to deliver health-conscious products and classify customers into groups. The latter helps in delivering specific campaigns and promotions that are analyzed according to customer behavior in each group. The Company has the organization of sales and marketing activities on a monthly basis and there will be a large campaign once a quarter to stimulate customer spending through a selection of products that meet specific needs during Covid-19 situation where customers pay more attention to their health. These factors have caused the revenue from all channels to grow, including inbound, outbound, online and retail channels.

Revenue from Media Business

Revenue from media business in 2020 was 1.15 billion baht, increased by 7.4 percent from 2019, which stood at 1.07 billion baht. This came from the additional revenue from content management in order to expand in international markets and on other online platforms (OTT). However, the media industry has been impacted by price competition and ad spending (ADEX) contractions following the impact of Covid-19.

Revenue from Television Media Business

Overall television industry in 2020, the ad spending for the entire television media industry, from a survey by AGB Nielsen Media Research (Thailand), continuously fell by 10.1 percent compared to the previous year. It was due to the impact of Covid-19 situation. The average number of TV viewers in December standing at 8.1 percent, fell from the average number of the

previous year at 8.9 percent (out of a population of 64.6 million), mainly due to a decrease of number of viewers from news channels and satellite television channels.

In addition to managing content to leverage both offline and online channels, Channel 8 also focuses on cost management of its content production. The ratings of Channel 8 improved, with an average rating for the viewers aged 15+ in 18 hours' period at 0.43 percent in 2020, compared to 0.42 percent in 2019, even with the re-running of drama series during Covid-19 in order to manage production costs. These efforts for continuous growth also includes the management of advertising minutes at 100% efficiency by advertising and selling the Group's commerce business products, resulting in a higher growth rate of commerce business in every quarter throughout 2020.

Revenue from Radio Media Business

The radio industry in 2020 contracted by 24.0 percent compared to the previous year. However, "COOLfahrenheit" remains popular at No. 1 in the Easy Listening category, including "COOL Outing", "Ink Eat All Around" and "COOL Music Fest", fewer consistently popular events for listeners were organized than in 2019 due to Covid-19 situation, as activities were suspended and social distancing enforced. There were also delays in the use of as spending in all channels except online channel. As a result, revenue from radio media business has declined in line with the overall industry, but it retains its efficiency for profitability.

Revenue from Music and Other Businesses

Most of revenue of music business continues to come from online streaming. An adjustment of operating strategies with artists was resulting in better cost management. There were also more music copyright management through various platforms and 9 new artists introduction at the end of 2020; this is expected to increase the number of productions and expand into the Music Star Commerce model. Revenue from music and other businesses in line with other media situation, decreased by 53.9 percent compared to the previous year as a result of stopped activities and concerts in accordance with Covid-19 preventive measures since end of 1st quarter.

Cost of Sales and Services

The cost of sales and services in 2020 recorded 1.77 billion baht, decreased by 251.3 million baht or 12.4 percent from the previous year. Although, there was a higher cost in

accordance with an increase in revenue from commerce business, there were the reduced cost from other businesses compared to the previous year. These were thanks to content cost management during ad spending contractions in the market, the reduction in the cost of the license for operating Channel 8's digital television business from the waiver of the last two fee installments, the reduced rate of the annual contribution to the Broadcasting and Telecommunications Research and Development Fund for the Public Interest, and the decrease of total fee amount for digital television terrestrial network services or MUX.

Gross Profit

The Company had a gross profit in 2020 of 2.01 billion baht, increased from the previous year by 414.3 million baht or rose by 26.0 percent, which saw a record-breaking boost in commerce business every quarter, additional revenue from television media business earned at the same cost and effective cost management in every business.

Selling and Administrative Expenses, and Finance Costs

Selling and administrative expenses of 1.32 billion baht increased from the previous year by 216.9 million baht or rose by 19.7 percent. This was mainly due to higher commerce business expenses from purchasing external media, staff cost in line with a higher growth of commerce business and depreciation of the new office space that accommodates the larger telesales staff and new studios.

Finance costs of 36.1 million baht, slightly increased by 4.3 percent from the previous year due to higher interest expense as an adoption of Thai Financial Reporting Standards relating to leases standard (IFRS 16) for year 2020.

Net Profit

Net profit attributable to the parent company for 2020 was 528.3 million baht, increased by 164.9 million baht or rose by 45.4 percent as compared to the previous year at 363.3 million baht. This was thanks to a record-breaking boost in commerce business revenue, a better performance of media business during Covid-19 and effective cost and expenses management in every business.

Assets

Asset Components

As of December 31, 2020, the Company had total assets of 4,516.5 million baht, comprised of 26.0 percent current assets and 74.0 percent non-current assets.

Unit: million baht	Year 2019		Year 2020		Change	
	amount	%	amount	%	amount	(y-y)
Current assets :						
Cash and cash equivalents	328.4	9.6%	200.1	4.4%	-128.3	-39.1%
Trade and others accounts receivable (net)	516.4	15.2%	711.4	15.8%	195.0	37.8%
Inventories (net)	258.8	7.6%	228.7	5.1%	-30.1	-11.6%
Other current assets (net)	13.2	0.4%	33.3	0.7%	20.1	152.3%
Total current assets	1,116.8	32.8%	1,173.5	26.0%	56.7	5.1%
Non-current assets :						
Plant and equipment (net)	503.8	14.8%	641.9	14.2%	138.1	27.4%
Right of use assets (net)	-	-	471.5	10.4%	471.5	100.0%
License for operation right in spectrum of digital television (net)	670.7	19.7%	598.7	13.3%	-72.0	-10.7%
Intangible assets (net)	702.8	20.6%	1,314.1	29.1%	611.3	87.0%
Other non-current assets (net)	412.7	12.1%	316.8	7.0%	-95.9	-23.2%
Total non-current assets	2,290.0	67.2%	3,343.0	74.0%	1,053.0	46.0%
Total assets	3,406.8	100.0%	4,516.5	100.0%	1,109.7	32.6%

As of December 31, 2020, the main assets consist of 29.1 percent intangible assets (net); 15.8 percent trade and others accounts receivable (net); 14.2 percent plant and equipment (net); 13.3 percent license for operation right in spectrum of digital television (net); 10.4 percent right of use assets (net); 5.1 percent inventories (net); and 4.4 percent cash and cash equivalents.

Total assets, as of December 31, 2020, amounted to 4,516.5 million baht, an increase of 1,109.7 million baht or 32.6 percent from the previous year. This was mainly due to intangible assets having a net increase of 611.3 million baht or 87.0 percent from investments in copyrights of Thai drama and foreign series. Right of use assets (net) having a net increase of 471.5 million baht or 100.0 percent from the recording of building, vehicle and equipment rentals under long-term leases as assets, in accordance with the Financial Reporting Standard No.16 on Lease Agreements, Trade and others accounts receivable, there was a net increase of 195.0 million

baht or 37.8 percent due to increased content sales. Plant and equipment saw a net increase of 138.1 million baht or 27.4 percent from investments in operating equipment and office furniture and fixtures when the Company moved to a new office.

Quality of the Assets

Trade Accounts Receivable - Others (net)

Trade accounts receivable classified by aging are as follows

Unit: million baht	Year 2019		Year 2020		Change	
	amount	%	amount	%	amount	(y-y)
Current	250.0	60.1%	230.0	58.0%	-20.0	-8.0%
Less than 3 months	151.5	36.4%	148.8	37.5%	-2.7	-1.8%
3 - 6 months	7.1	1.7%	10.6	2.7%	3.5	49.3%
6 - 12 months	-	-	1.6	0.4%	1.6	100.0%
Over 12 months	7.3	1.8%	5.7	1.4%	-1.6	-21.9%
Total	415.9	100.0%	396.7	100.0%	-19.2	-4.6%
Less: Allowance for doubtful accounts	-7.2	-1.7%	-5.7	-1.4%	-1.5	-20.8%
Trade accounts receivable – others (net)	408.7	98.3%	391.0	98.6%	-17.7	-4.3%

Key Financial Ratios

	Year 2019	Year 2020
Receivable turnover ratio (time)	7.84	9.29
Collection days (day)	47	39

As of December 31, 2020, the Company possessed trade accounts receivable - other parties (net) of 391.0 million baht, a decrease of 17.7 million baht from the previous year, or 4.3 percent. This was due to the decrease in variable receivables in accordance with advertising income, music business income, and income from concerts and contract production activities lowered incomes.

The Company had the policy of credit term to customers for an average of 3 months. In the case where the debtor has been in arrears for more than 1 year or has problems in making the payment, the Company maintains a regular policy to consider and review the allowance for doubtful accounts. This is considered in conjunction with the criteria set out by the Financial Reporting Standards No. 9 on Financial Instruments. As such, the outstanding debt documented in the financial statements reflects the actual expected amount.

In 2020, the Company had an average debt collection period of 39 days, which is faster than the 47 days of the previous year, due to the increase in the sales of goods from the commerce business. On the whole, most of the payments have been in the form of cash receipts or credit of not more than 1 month, resulting in the improvement of the average debt collection period of the Company, compared to the prior year. However, when considering the age of most trade accounts receivable, more than 90 percent are not outstanding beyond 3 months, which is in accordance with the policy of extending credit term to customers and the Company had an allowance for doubtful accounts of 1.4 percent, a decrease from the 1.7 percent of the previous year.

Inventories (net)

Unit: million baht	Year 2019		Year 2020		Change	
	amount	%	amount	%	amount	(y-y)
Cost	292.3	100.0%	237.0	100.0%	-55.3	-18.9%
Less: Allowance for obsolete inventories	-33.5	-11.5%	-8.3	-3.5%	-25.2	75.2%
Inventories (net)	258.8	88.5%	228.7	96.5%	-30.1	-11.6%

Key Financial Ratios

	Year 2019	Year 2020
Inventory turnover ratio (time)	7.43	7.26
Average number of days sales (day)	49	50

As of December 31, 2020, inventories consisted of: 98.7 percent finished goods that are consumer products; and 1.3 percent works in progress such as television programs, concerts and marketing and other activities. The total net value was 228.7 million baht, decreasing from the previous year by 30.1 million baht or 11.6 percent. This year, the Company reversed the allowance for obsolete goods due to expired product destruction in the amount of 25.2 million baht net; the allowance for obsolete goods increased by 2.1 million baht. The Company has a policy to regularly review the value of its inventories during every accounting period so that the inventory value shown in the financial statements is not lower than the net realizable value. As a result, this year, the allowance for obsolete products accounted for 3.5 percent, a decrease from the 11.5 percent of the previous year. There are still plans for various marketing promotions to

manage inventories at an appropriate level and move all long-remaining products out from the warehouses.

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

Unit: million baht	Year 2019		Year 2020		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	-724.0	-51.9%	-796.0	-57.1%	72.0	9.9%
Net book amount	670.7	48.1%	598.7	42.9%	-72.0	-10.7%

According to the order of the Head of the National Council for Peace and Order No. 4/2562 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 December 31, 2020, has a net value of 1,394.7 million baht. The amortization for 2020 was 72.0 million baht, a decrease of 17.4 million baht from the previous year (in 2019, it was 89.4 million baht). The net balance of the license value is thus 598.7 million baht, a decrease of 72.0 million baht or 10.7 percent from the previous year.

In addition, the Company has made future cash flow projections every year in order to assess the impairment of the use of the license. As of December 31, 2020, the Company has tested the impairment and found that the recoverable value is higher than the net book value; therefore, there is no impairment of the said license.

Intangible Assets (net)

Unit: million baht	Year 2019		Year 2020		Change	
	amount	%	amount	%	amount	(y-y)
Cost	2,983.7	100.0%	3,806.6	100.0%	822.9	27.6%
Less: Accumulated amortization	-2,280.9	-76.4%	-2,492.6	-65.5%	211.7	9.3%
Net book amount	702.8	-23.6%	1,314.0	-34.5%	611.2	87.0%

As of December 31, 2020, intangible assets (net) comprise of 87.1 percent drama copyrights; and 12.9 percent of music copyrights, computer programs and others. The total net

worth was 1,314.0 million baht, an increase of 611.2 million baht or 87.0 percent from the previous year due to the increase of drama copyrights, foreign series, computer programs and others.

Capital Structure

Liabilities, Equity and Debt to Equity Ratio

Unit: million baht	Year 2019	Year 2020	Change	
			amount	amount
Trade and other accounts payable	651.1	1,016.1	365.0	56.1%
Loans from financial institutions	766.1	776.1	10.0	1.3%
Lease liability agreement	9.3	450.0	440.7	4,738.7%
Other current liabilities	77.8	94.4	16.6	21.3%
Other non-current liabilities	175.4	175.8	0.4	0.2%
Total liabilities	1,679.7	2,512.4	832.7	49.6%
Equity attributable to owners of the parent	1,724.9	2,001.9	277.0	16.1%
Debt to equity ratio (time)	0.97	1.26		

As of December 31, 2020, the Company had total liabilities of 2,512.4 million baht, an increase of 832.7 million baht or 49.6 percent from the previous year. This was from the recording of plant, vehicle and equipment rentals of 450 million baht per the lease agreement as a liability under the lease, in accordance with the Financial Reporting Standard No. 16 on Lease Agreements, Trade and other accounts payable, which increased by 365 million baht as the Company was able to extend the repayment period and from investing in intangible assets.

As of December 31, 2020, the Company had ownership in the amount of 2,001.9 million baht of the parent company, an increase from the previous year of 277.0 million baht, or 16.1 percent. This can be attributed to an increase in profit during the year of 533.0 million baht, less the repurchase shares which increased by 160.2 million baht, including 95.8 million baht in dividends paid during the period.

In 2020, the debt to equity ratio was 1.26 times, increasing from the 0.97 times of 2019; this was mostly due to an increase in liabilities under the lease agreements and in trade accounts payable.

Liquidity

Cash Flow

Unit: million baht	Year 2019	Year 2020
Cash flow from operating activities	1,033.1	1,050.1
Cash flow from investing activities	-615.2	-797.0
Cash flow from financing activities	-429.1	-381.4
Net increase (decrease) in cash and cash equivalents	-11.2	-128.3
Cash and cash equivalents, closing balance	328.4	200.1

As of December 31, 2020, the Company had cash and cash equivalents of 200.1 million baht. During the year, 128.3 million baht of net cash was used. There was also 797.0 million baht for investing activities: furniture, fixtures and office equipment at the Company's new office as well as investment in drama content and foreign series for television media, include investment in broadcasting equipment for the television stations. In addition, the net cash used in financing activities was 381.4 million baht from purchases of treasury shares, dividends, and the repayment of long-term loans, as scheduled. Meanwhile, during the year, the Company's net cash flow from operating activities increased by 1,050.1 million baht, mainly from cash received from the sales of products from the commerce business.

Overall, in 2020, the liquidity of the company slightly decreased from the previous year. During the year, the Company invested in television station broadcast equipment and a new office. Also this year, the Company's cash cycle was negative for 10 days, an improvement from the previous year. This reflects greater efficiency in the management of the Company's working capital.

Key Financial Ratios

	Consolidated financial statements		
	2018	2019	2020
Liquidity Ratios			
Current Ratio (time)	1.04	0.88	0.65
Quick Ratio (time)	0.70	0.58	0.33
Cash Flows from Operating Ratio (time)	0.93	0.86	0.68
Receivable Turnover Ratio (time)	7.18	7.84	9.29
Collection Days (day)	51	47	39
Inventory Turnover Ratio (time)	7.35	7.43	7.26
Average Number of Days Sales (day)	50	49	50
Account Payable Turnover Ratio (time)	7.63	7.62	3.68
Payment Days (day)	48	48	99
Cash Cycle (day)	53	48	(10)
Profitability Ratios			
Gross Profit Margin (%)	42.37%	44.06%	53.14%
Operating Profit Margin (%)	14.82%	13.61%	18.25%
Operating Cash Flows to Operating Profit Ratio (%)	204.75%	210.22%	152.44%
Net Profit Margin (%)	13.37%	10.03%	13.93%
Return on Equity (%)	33.64%	21.40%	28.35%
Efficiency Ratios			
Return on Asset (%)	14.43%	13.27%	17.71%
Return on Fixed Asset (%)	172.11%	111.22%	108.96%
Assets Turnover (time)	0.93	0.97	0.96
Leverage Ratios			
Debt to Equity Ratio (time)	1.44	0.97	1.25
Interest Coverage Ratio (time)	8.74	14.34	19.43
Debt Service Coverage Ratio (Cash basis) (time)	1.96	1.11	2.40
Dividend Payout Ratio (%)	84.31%	79.90%	-
Per Share			
Book Value per Share (baht)	1.7296	1.7759	2.0930
Earnings (loss) per Share (baht)	0.5337	0.3744	0.5505

Key Factors and Influences that may affect the Performance and Financial Position in the Future

RS is determined to use “Entertainmerce” model for its business operation and investments in various companies to extend the full range of RS’s businesses. In terms of the commercial business, advertising and sales channels would continue to expand to reach all customer groups and focus on the growth of online channels. In 2021, the Company plans to introduce new product lines, including functional drink, pet food and innovative health product to mass markets across the country and through all channels. In addition, the Company maintains an interest in and is in the process of studying and negotiating the use of hemp with partners as an ingredient in a wide range of products. As for database management, the Company will make continuous improvements with the introduction of Voice Analytics, which analyzes customer data in order to respond promptly and increase sales.

Channel 8 with the slogan "Everyone Can Watch Channel 8, Press Number 27", continues to be driven by content management, new content production to generate additional revenue on other online platforms and the return of the main programs that have been popular, including both Thai drama series and various boxing programs.

5. General Information and Other Important Information



5. General Information and Other Important Information

5.1 General Information

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., Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Thailand
Registration No.	:	0107546000016
Website	:	www.rs.co.th
Telephone	:	+66 2037 8888
Fax	:	None
Registered Capital	:	1,161,997,216 baht including 1,161,997,216 ordinary shares at one baht par value (as of December 31, 2020)
Paid-up Capital	:	972,496,946 baht including 972,496,946 ordinary shares at one baht par value (as of December 31, 2020)
Securities Registrar	:	Thailand Securities Depository Co., Ltd. 93, 14 th Floor, Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Website : www.set.or.th/tsd Telephone : +66 2009 9000 Fax : +66 2009 9991
Auditor	:	PricewaterhouseCoopers ABAS Limited 15 th Floor Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120, Thailand Website : www.pwc.com/th Telephone : +66 2844 1000 Fax : +66 2286 5050

Legal Consultant : Legal Office, RS Public Company Limited
27 RS Group Bldg., Tower A, Prasert-Manukitch Rd.
Sena Nikhom, Chatuchak, Bangkok 10900, Thailand
Telephone : +66 2037 8888
Fax : None

General Information of the subsidiary that the company holds more than 10 percent

Company Name	Address	Type of Business	Type of Share	Registered Capital (Baht)	Paid-up Capital (Baht)	Percentage of Shareholding (%)
1) Lifestar Co., Ltd. (Formerly: RS Mall Co., Ltd. And Buntoeng Variety Co., Ltd.)	27 RS Group Bldg., Tower A, 5 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	Commerce Business	Ordinary shares	1,000,000	1,000,000	99.99
2) RS Mall Co., Ltd (Formerly: Lifestar Co., Ltd.)	27 RS Group Bldg., Tower A, 7 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	Commerce Business	Ordinary shares	200,000,000	200,000,000	99.99
3) R.S. Television Co.,Ltd.	27 RS Group Bldg., Tower B, 3 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	Digital Television Business	Ordinary shares	300,000,000	300,000,000	99.99

Company Name	Address	Type of Business	Type of Share	Registered Capital (Baht)	Paid-up Capital (Baht)	Percentage of Shareholding (%)
4) Thai Copyright Collection Co., Ltd.	27 RS Group Bldg., Tower C, 3 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	Copyright Collection	Ordinary shares	5,000,000	5,000,000	99.99
5) Coolism Co., Ltd	27 RS Group Bldg., Tower C, 4 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	Radio Business	Ordinary shares	6,250,000	6,250,000	99.99
6) Yaak Co., Ltd.*	27 RS Group Bldg., Tower B, 3 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	-	Ordinary shares	2,500,000	2,500,000	99.97

Company Name	Address	Type of Business	Type of Share	Registered Capital (Baht)	Paid-up Capital (Baht)	Percentage of Shareholding (%)
7) RS Travel Co., Ltd.* (Formerly: Goodlife Group Co., Ltd.)	27 RS Group Bldg., Tower B, 3 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	-	Ordinary shares	37,000,000	37,000,000	99.99
8) RSX Co., Ltd.* (Formerly: R Alliance Co., Ltd.)	27 RS Group Bldg., Tower B, 3 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	-	Ordinary shares	80,000,000	80,000,000	99.99
9) RS International Broadcasting and Sports Management Co., Ltd.*	27 RS Group Bldg., Tower B, 3 th Floor, Prasert-Manukitch Rd. Sena Nikhom, Chatuchak, Bangkok 10900, Tel. +66 2037 8888 Fax. None	-	Ordinary shares	9,375,000	9,375,000	83.33

* The temporarily suspended subsidiaries

5.2 Other Important 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 December 31, 2020, 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.

Part
2 | Corporate
Governance



6. Corporate Governance Policy



6) Corporate Governance Policy

The Company has established a policy on corporate governance. We focus attention on the internal control and audit system, while aiming to ensure that business operations align with our policy efficiently, for the long-term benefit of shareholders. We also operate our business with transparency, disclosure and appropriate risk management, as well as being socially and environmentally responsible, encouraging sustainable development.

We intend to promote the Company as an efficient organization in both business operations and Good Corporate Governance. The business operates with a social and environmental conscious, by promoting ethics, fairness, transparency and accountability.

The Board of Directors and management lead by example on ethical matters and demonstrate the Company's culture of Good Corporate Governance and business ethics. This includes being responsible for all stakeholders involved, promoting human rights and consumer rights, and fair use of labor as well as providing systems to audit, monitor and evaluate to ensure appropriate practices.

Five principles of Good Corporate Governance practices include:

- 1) Fairness means treating all stakeholders equally
- 2) Transparency is clear and unambiguous disclosure of business information, either positively or negatively
- 3) Integrity is an act of applied morality, consistent with the ethics defined by the business
- 4) Responsibility is a duty that must be fulfilled, and is bound to a predetermined role
- 5) Accountability is the responsibility for actions, and decisions that can be explainable

6.1) Overview of Corporate Governance Policy and Guidelines of Corporate Governance

6.1.1) Policies and Guidelines for the Board of Directors

The Board of Directors has established an effective Corporate Governance Policy in writing. There is an annual review of the Corporate Governance Policy and Code of Conduct manual, as well as monitoring the evaluation on the implementation of the policies. The Company provides a published manual to directors and employees for reference and application. The manual is also published on the company's internal website.

The Board of Directors' Meeting No. 2/2564 (2021) on February 24, 2021 reviewed, revised and approved the policy of Good Corporate Governance and Code of Conduct manual. They also reviewed the implementation of the related policy. The Board of Directors recognizes their role

and duties, as the governing body of the organization. A majority of Directors reviewed the CG Code, and are aware of the benefits and applications of how it brings sustainable value to the business. They also assessed the compliance of each CG Code item to ensure that appropriate processes are implemented, or there is a development plan that is suitable for the business.

6.1.2) Policy 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 2020, due to the Covid-19 epidemic situation, the Company held a meeting later than the time specified by law, as a result the Company sent a letter explaining the reason for the delay to the Registrar, as stipulated by the Department of Business Development dated March 4, 2020. The Company later held an Annual General Meeting of Shareholders on July 31, 2020, at 10:00 am 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 2020 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

- Thailand Securities Depository Co., Ltd., the Company's share registrar, sent a meeting to shareholders on July 9, 2020, 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.

- 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 June 30, 2020 31 days prior to the meeting date to allow shareholders to have sufficient time to consider all information

- Published in newspapers between July 15-17, 2020

Actions on the Meeting Day

- 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.

- 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.

- 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.

- The Chairman of the Meeting gave equal opportunity to shareholders to make inquiries, comments and suggestions before voting on each agenda item

- 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 patchareem@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

- Notification of the resolutions from the 2020 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

- 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.

- 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 August 14, 2020, which was published within 14 days of the meeting as specified by law. Meeting minutes were recorded in detail for shareholders, and can be reviewed by those attending and not attending.

Equitable Treatment of Shareholders

- 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.

- 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

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 2020 Annual General Meeting of Shareholders, 254 shareholders utilized Independent Directors of the Company as proxies.

- Between November 29 to December 30, 2019, 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".

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 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 and disclosed in Attachment 5.

We communicate clearly about our core values and corporate culture, both internally and externally. We enhance awareness and foster behaviors consistent with our core values and corporate culture in terms of work and lifestyles.

Success in these regards is due to our long-term vision, leadership principles and our support for the development of our personnel. We assess both employees and supervisors on their performance related to the promotion of core values and culture, as a part of professional ethics.

6.3) Major Changes and Developments in Policies, Practices and Governance Systems over the Past Year

- The evaluation under the Corporate Governance of Thai Listed Companies for 2020: The Company was ranked in the level of "Excellence" or 5 star rating by the Thai Institute of Directors (IOD).

- The Board of Director meeting No. 7/2563 (2020) had resolution approved its intention to join the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

- The Company was selected rating "BBB+" by TRIS Rating (TRIS)

- The Company was awarded IDC DX GameChanger Thailand 2020 as a step towards successful digital transformation.

- The Company was awarded Outstanding Investor Relations Awards at SET Awards 2020

6.3.1) Review of Guidelines, Policy and Corporate Governance System

We have continuously improved our policies, practices and corporate governance system. At the Board of Directors' Meeting, No. 2/2021, on February 24, 2021, the Code of Conduct was reviewed, revised and received updates to its information security and information system controls. It covered personal data and additional practices for non-infringement of intellectual property or copyright, as well as improvement in the area of social and environmental

responsibility to help employees and workers align with the development direction of the organization.

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

During 2020, 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 did not require the Director and high level Executives to report at least 1 day before trading date to the Board of Director or those who are assigned about stock trading. As the Company sets out rules and regulations as well as policy of the use of the company's internal information.

5) 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

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

- 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

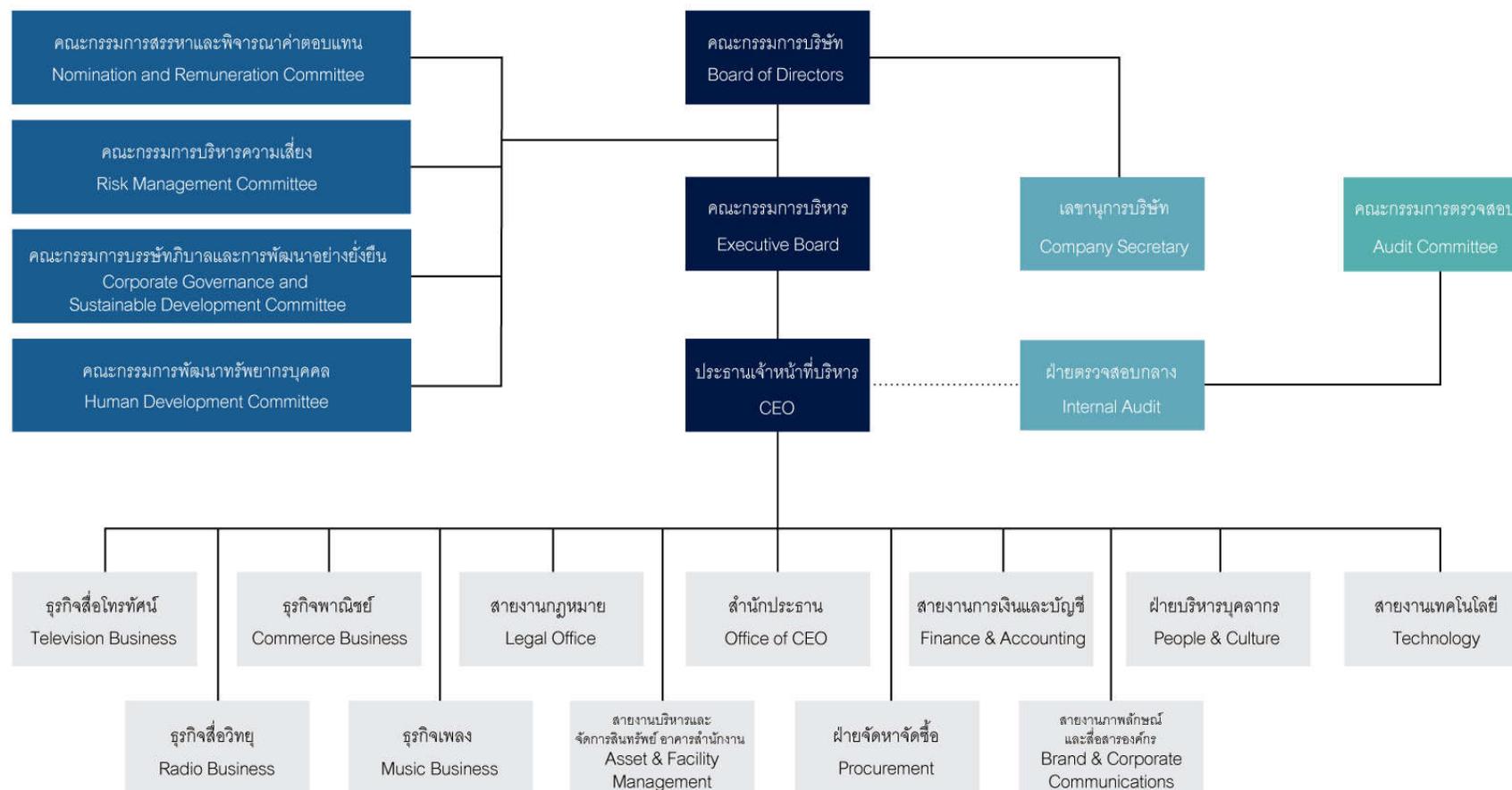
- The Company prohibits suspicious securities trading behavior by its Directors or Executives, or activities declared as offenses by the SEC.

In this regard, the Board of Directors has prepared the “Corporate Governance Policy” and the “Code of Business Conduct and Employee 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) Corporate Governance Structure and Significant Information regarding to the Board of Directors, Sub-Committees, Executives, Employee and others

7.1) Corporate Governance Structure

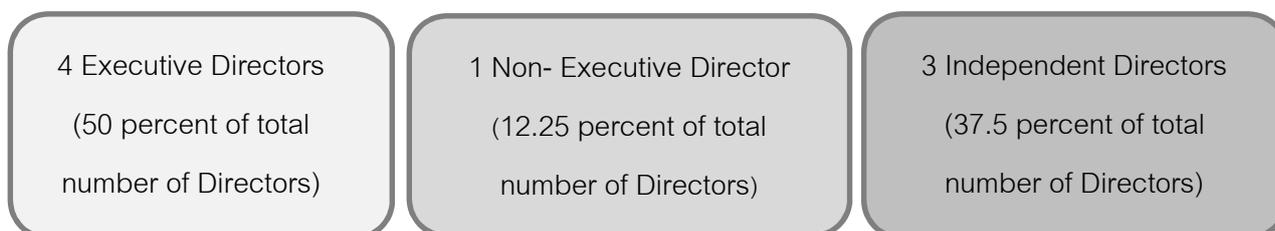


7.2) Information regarding the Board of Directors

Management structure of the Company consists of the Board of Directors and six subcommittees namely Audit Committee, Nomination and Remuneration Committee, Executive Committee, Risk Management Committee, Corporate Governance and Sustainable Development Committee and Human Development Committee. Details are as follows:

7.2.1) Composition of the Board of Directors

As at December 31, 2020, the Board of Directors consists of eight following qualified persons:



7.2.2) Information of the Board of Directors

Name	Position	Type of Directors
1) Mr.Surachai Chetchotisak	Chairman, Chairman of the Executive Committee and Chairman of the Human Development Committee	Executive Director
2) Mrs.Pornpan Techarungchaikul	Director, Executive Committee, Chairman of the Risk Management Committee, Human Development Committee and Company Secretary	Executive Director
3) Mr. Wittawat Wetchabutsakorn*	Director, Executive Committee, Chairman of the Corporate Governance and Sustainable Development Committee and Risk Management Committee	Executive Director
4) Mr. Danaisidh Peslapunt	Director and Risk Management Committee	Executive Director
5) Mr. Sorat Vanichvarakij	Director	Non-Executive Director
6) Mr. Phisit Dachanabhirom	Director, Chairman of the Audit Committee and Chairman	Independent Director

Name	Position	Type of Directors
	of the Nomination and Remuneration Committee	
7) Mrs. Wansuda Thanasaranart	Director, Audit Committee and Nomination and Remuneration Committee	Independent Director
8) Mr. Chakkrit Parapuntakul	Director, Audit Committee and Nomination and Remuneration Committee	Independent Director

Remarks: *Mr. Wittawat Wetchabutsakorn was appointed as a Director to replace Mr. Darm Nana, effective from January 31, 2020.

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.

7.2.3) Roles and Duties of the Board of Directors

The Extraordinary General Meeting of Shareholders No. 1/2546 (2003) held on January 13, 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.

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, Corporate Governance and Sustainable Development Committee and Human 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 6 Sub - Committees namely, the Audit Committee, Nomination and Remuneration Committee, Executive Committee, Risk Management Committee, Corporate Governance and Sustainable Development Committee and Human Development Committee.

7.3.1) Audit Committee

As at December 31, 2020, 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. Chakkrit Parapuntakul	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) Attending the Board of Directors Meetings as to participate in policy determination, business decision making and corporate governance issues.

2) Considering selecting, nominating and withdrawing of the auditor and proposing the annual audit fees including the following issues:

- (a) To consider the independence of the external auditor by taking into consideration of rendering any non-audit services that may cause the lack of independence e.g. accounting system design etc.
- (b) To freely discuss significant matters, the Audit Committee shall meet privately with the external auditor once a year, without the management team being present in order to seek the auditor's opinion on the relevant matters.

3) Considering the policy and code of conduct of the internal audit department as to ensure their continual appropriateness and effectiveness.

4) Reviewing the annual audit plans of the internal audit department.

5) Reviewing the internal control and internal audit system as to ensure their appropriateness and effectiveness by coordinating with the internal and external auditors. The Audit Committee shall consider the following issues:

- (a) To strengthen the independence of the internal audit department, the Audit Committee shall approve any appointment, rotation, termination or promotion of the head of internal audit.
- (b) To ensure the independence of the internal audit department, the Audit Committee shall consider other factors, including reporting and supervision processes, as well as reporting line of the department.

6) Considering the quarterly audit report and recommendations of the internal and external auditors as well as following up the action taken according to such recommendations.

7) Reviewing the quarterly financial reports of the Company and its subsidiaries as to ensure that they are accurate, credible and have adequate information disclosures according to the good corporate governance procedure.

8) Ensuring that the Company is in compliance with the rules or regulations prescribed by the regulations of the Stock Exchange of Thailand and the relevant laws.

9) Reviewing the connected transactions of the Company and any transactions that may cause the conflict of interest to be in compliance with the laws or regulations prescribed by the Stock Exchange of Thailand, and to ensure that such transactions are reasonable and for the maximum benefit of the Company.

10) Coordinating with the external auditor to consider any problems or restrictions encountered in performing financial statements audit.

11) Preparing the Audit Committee report. The report must be signed by the Chairman of the Audit Committee and disclosed in the Company's Annual Report. Its report should include the following information:

- (a) The number of the Audit Committee's meetings and attendance of each member.
- (b) The Audit Committee's comments on the following issues:
 - Accurateness, completeness and creditability of the Company's financial report.
 - Adequacy of the Company's internal control system.
 - Compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand and other laws
 - Suitability of the external auditor.
 - Transactions that may cause conflicts of interest.
 - Other concerns or observation that have arisen as the Audit Committee performed its duties as defined in the Committee's charter.
 - Any other transaction which should be made available to shareholders and general investors within the scope of duties and responsibilities assigned by the Board of Directors.

12) The Audit Committee is authorized to invite the Executive Directors, management or related persons to either provide necessary information or attend the meeting.

13) Considering any other matters as assigned by the Board of Directors with the consent of the Audit Committee.

The Audit Committee shall serve in their position for a term of 3 years each. The Company's Board of Directors was of the opinion that Mr. Phisit Dachanabhirom who acts as the Independent Director, has vast knowledge and experiences in financial and accounting field, and deemed it appropriate to appoint him as the Chairman of the Audit Committee.

7.3.2) Executive Committee

As at December 31, 2020, 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. Pompan Techarungchaikul	Executive Committee	Executive Director
3) Mr. Wittawat Wetchabutsakorn*	Executive Committee	Executive Director

Remarks: *Mr. Wittawat Wetchabutsakorn was appointed as an Executive Committee to replace Mr. Darm Nana, effective from February 3, 2020.

Scope of Duties and Responsibilities of the Executive Committee

The Board of Directors Meeting No. 1/2546 (2003) held on January 28, 2003, the Board of Directors Meeting No. 2/2556 (2013) held on May 14, 2013 the Board of Directors Meeting No. 6/2562 (2019) held on December 18, 2019 and the Board of Directors' Meeting No. 5/2563 (2020) held on June 17, 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.

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.

7.3.3) Nomination and Remuneration Committee

As at December 31, 2020, 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 Thanasarnart	Nomination and Remuneration Committee	Independent Director
3) Mr. Chakkrit Parapuntakul	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.

- 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.

7.3.4) Risk Management Committee

As at December 31, 2020, 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

Remark: *Mr. Wittawat Wetchabutsakorn was appointed as a Risk Management Committee, effective from November 12, 2020.

Scope of Duties and Responsibilities of the Risk Management Committee

The Company's Board of Directors meeting No. 5/2553 (2010) on August 16, 2010, had passed the resolution to appoint the Risk Management Committee and approved its scope of duties and responsibilities as follows:

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.

7.3.5) Corporate Governance and Sustainable Development Committee

As at December 31, 2020, 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

Remarks: *Mr. Wittawat Wetchabutsakorn was appointed as a Corporate Governance and Sustainable Development Committee Chairman to replace Mrs. Pornpan Techarungchaikul, effective from November 12, 2020.

** Ms. Kunchanya Karuhadej was appointed as a Corporate Governance and Sustainable Development Committee to replace Mr. Danaisidh Peslapunt, effective from November 12, 2020.

*** Mr. Parin Fuangvut was appointed as a Corporate Governance and Sustainable Development Committee, effective from November 12, 2020.

Scope of Duties and Responsibilities of the Corporate Governance and Sustainable Development Committee

The Board of Directors Meeting, No. 1/2554 (2011) on February 23, 2011, had passed the resolution to appoint the Corporate Governance and Sustainable Development Committee and approve the scope of its duties and responsibilities as follows:

Governance

1) To consider, review and propose Good Corporate Governance Policy, , a Code of Business 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) Perform other duties as assigned.

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

7.3.6) Human Development Committee

As at December 31, 2020, the Human Development Committee consists of four qualified persons whose names are listed as follows:

Name	Position	Type of Directors
1) Mr. Surachai Chetchotisak*	Chairman of the Human Development Committee	Executive Director
2) Mrs. Pornpan Techarungchaikul**	Human Development Committee	Executive Director
3) Mr. Chakrit Pichyangkul	Human Development Committee	
4) Ms. Kunchanya Karuhadej***	Human Development Committee	Executive

Remarks: *Mr. Surachai Chetchotisak was appointed as a Chairman of the Human Development Committee, effective from February 20, 2020.

**Mrs. Pornpan Techarungchaikul was appointed as a Human Development Committee and resigned from the Chairman of the Human Development Committee, effective from February 20, 2020.

***Ms. Kunchanya Karuhadej was appointed as a Human Development Committee, effective from February 20, 2020.

Scope of Duties and Responsibilities of the Human Development Committee

- 1) Presenting human resource policy and management direction
- 2) Drawing techniques and strategies for human resource development
- 3) Overseeing and supervising human resource operation
- 4) Considering and making decisions on human resource development issues based on the direction approved by the Company's Executive Committee

7.4) Information regarding Executive

7.4.1) Executive Team

As at December 31, 2020, 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.

*Mr. Wittawat Wetchabutsakorn was appointed as a Chief Financial Officer to replace Mr. Darm Nana, effective from February 3, 2020.

Scope of Duties and Responsibilities of the Chief Executive Officer

The Board of Directors' Meeting No. 1/2546 (2003) held on January 28, 2003, the Board of Directors' Meeting No. 2/2556 (2013) held on May 14, 2013 and the Board of Directors' Meeting No. 6/2562 (2019) held on December 18, 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.

7.4.2) 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.

7.4.3) 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 53.55 million baht.
- Other welfares in the form of provident fund to four Senior Executive Officers approximately 1.67 million baht.

Therefore, the remuneration of the Executive Directors and the Senior Executive Officers amounted to 6.61 percent of total remuneration of the Company.

Non-Monetary Remuneration

- Company car, Medical Examination, Training, etc.

Change in Shareholding and single stock future based on price or yield on the Company's stock of Board of Directors and Management as of December 31, 2020 are as follows:

No	List	No. of Common Share held (shares)			No. of single stock future (agreements)		
		December 31, 2019	Increase/(Decrease)	December 31, 2020	December 31, 2019	Increase/(Decrease)	December 31, 2020
1)	Mr. Surachai Chetchotisak	201,268,300	18,931,700	220,200,000	8,500	300	8,800
	Spouse and minor children	-	-	-	-	-	-
2)	Mrs. Pompan Techarungchaikul	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
3)	Mr. Wittawat Wetchabutsakorn*	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
4)	Mr. Danaisidh Peslapunt	-	550,000	550,000	-	-	-
	Spouse and minor children	-	-	-	-	-	-
5)	Mr. Sorat Vanichvarakij	98,000,000	-	98,000,000	-	-	-
	Spouse and minor children	-	-	-	-	-	-
6)	Mr. Phisit Dachanabhirom	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
7)	Mrs. Wansuda Thanasaranart	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-
8)	Mr. Chakkrit Parapuntakul	-	-	-	-	-	-
	Spouse and minor children	-	-	-	-	-	-

No	List	No. of Common Share held (shares)			No. of single stock future (agreements)		
		December 31, 2019	Increase/(Decrease)	December 31, 2020	December 31, 2019	Increase/(Decrease)	December 31, 2020
9.	Ms. Kunchanya Karuhadej	-	3,000	3,000	-	-	-
	Spouse and minor children	-	-	-	-	-	-

Remark: *Mr. Wittawat Wetchabutsakorn was appointed as a Director to replace Mr. Darm Nana, effective from January 31, 2020

7.5) Employees

As of December 31, 2020 the Company had 1,386 employees in total. The total remunerations for all employees can be categorized are as follow:

Monetary Remuneration

- Monetary including salary, bonus and others for the year 2020 amounted to 781.06 million baht.

- Other welfares in form of provident fund totaling approximately 21.24 million baht. (There are 756 employees who are member of the provident fund, accounted of 78 percent of total number of the eligible employees)

Non-Monetary Remuneration

- Right to buy Company's products, food and drinks at employees' special prices
- Shuttle-bus service of the route from office building to BTS Station
- Access to personal protective equipment for Covid-19, such as protective face masks
- Free lunch during the Covid-19 outbreak

Details of the number of employees by business groups of the Company as at December 31, 2020

Business Group	Number of Employees				
	Male (Person)	%	Female (Person)	%	Total (Person)
Commerce business	158	11.40	485	35.00	643
Television Media business	235	16.96	157	11.32	395
Radio Media business	26	1.88	21	1.52	47
Music business	16	1.15	14	1.00	30
Others	141	10.17	133	9.60	274
Total employees	576	41.56	810	58.44	1,386

The Company hires disabled people and employee from disadvantaged groups of 2 people. 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 Benefits

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 2020, 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

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 August 31, 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. 1/2551 (2008) held on February 29, 2008 had passed its resolution to appoint Mrs. Pornpan Techarungchaikul to be the Company Secretary. The detail of the Company Secretary are as follow:

Name	Mrs. Pornpan Techarungchaikul
Position	Director, Executive Committee Risk Management Committee Chairman, Human Development Committee, Company Secretary and Chief Commercial Officer
Age	50

Education Master of Business Administration (MBA), Sasin Graduate
Institute of Chulalongkorn University
Bachelor of Statistics, Chulalongkorn University
Executive Development Program 4 (EDP) 4/ 2009,
Director Certification Program (DCP) 87/2007
Capital Market Academy Leader Program (Batch 23),
Capital Market Academy

Shareholding None

Relationship between None

Management

Experience February 20, 2019 – Present Human Development
Committee, RS Public Company Limited
October 15, 2019 - Present Chief Commercial Officer
RS Public Company Limited
2001 – November 11, 2020 Corporate Governance
Committee Chairman, RS Public Company Limited
2008 - Present Company Secretary
RS Public Company Limited
2007 - October 14, 2019 Chief Operating Officer
RS Public Company Limited
2004 - Present Director and Executive Committee
RS Public Company Limited
2004 – Present Human Development Committee
Chairman, RS Public Company Limited

The Person Supervising Accounting

Name Mrs. Nuansong Limpanaruk
Position Accounting Supervisor,
Director of Accounting
Age 49
Education Bachelor of Accounting, Bangkok University
Shareholding None

Relationship between Management	None
Experience	December 1, 2006 - Present Senior Vice President of Accounting RS Public Company Limited

In addition, the Company appointed Ms. Korapin Naksuprangsri to act as the Head of Internal Audit and designated the Company's Legal Department to serve as a Compliance Unit responsible for overseeing that businesses of the companies/groups of companies are conducted in compliance with the law, rules, regulations, policies and requirements of government agencies concerned or other agencies associated with the Company's business operations. The Company's Legal Department appointed Ms. Patcharee Maneetamwong to act as the Head of Corporate Compliance. The profiles of the Head of Internal Audit and Head of Corporate Compliance are shown in Attachment 3.

7.6.2) Investor Relations

In 2020, the Company, in recognition of the importance of sustainable development as a key business growth driver, and in response to changing global trends, offers choices for local and foreign funds, enabling them to increase their investments in the Company. In addition, the Stock Exchange of Thailand implemented a policy to create capital market immunity by adhering to the principle of good governance and to be prepared for changes caused by several situations. The SET was determined to achieve sustainable development of the Thai capital market by endorsing the policy to promote quantitative and qualitative growth while also balancing economic, social, and environmental aims. In view of this, the Company expanded the scope of work of the Investor Relations Department and renamed it the "Investor Relations and Sustainable Development Department, whereby the concept of sustainable development was embraced as part of the Division's responsibility to disseminate correct and timely information to all stakeholders.

Information of Investor Relations and Sustainable Development Department:

Head of Investor Relations and Sustainable Development Department	Ms. Tipnipa Kananub, Assistant Director of Investor Relations and Sustainable Development Department
Telephone:	+66 2037 8126 or 8128
Website:	http://ir.rs.co.th

Facebook: <https://facebook.com/RSInvestorRelations/>
Twitter: https://twitter.com/rs_ir
E-mail: ir@rs.co.th
LINE : [ir_rs](#)

In 2020, the Company disclosed information about the Company through the following activities:

- Analyst meetings were held, to discuss the Company's operating results on a quarterly basis. Analysts got to meet the management who answered questions on various issues. Meeting documents were made available through the company's website.

- Attendance at events held by The Stock Exchange of Thailand (SET) and the securities companies to meet institutional investors and foreign investors, including

- Opportunity Day by the Stock Exchange of Thailand
- Local Fund Conference by KTBST Securities Public Company Limited
- Local Fund Conference by Finansia Syrus Securities Public Company Limited
- Local Fund and Investor Conference by Kasikorn Securities Public Company Limited
- BLS Thai Corporate Day by Bualuang Securities Public Company Limited
- Thai Retail Sentiment after Reopening Businesses Conference by D.B.S. Vickers Securities PCL
- TISCO Exclusive Talk by Tisco Securities Company Limited
- Thai Corporate Day by SCB Securities Company Limited
- MBKET's Corporate Day by Maybank Kim Eng Securities (Thailand) Public Company Limited
- Corporate Day by Yuanta Securities Company Limited

- Also, the Company provided opportunities for local and international investors as well as shareholders to meet with senior management of the Company who answered questions concerning various issues and to learn the direction of future operations, new strategies and partnership deals during the year.

- Executive Officers and the investor relations team reached out to analysts, investors, and managers of local and foreign funds to discuss various issues such as the overall economic outlook, an overview of the Thai industries, the Company's business performance, and the growth of new businesses. The Company's Executive Officers also gave interviews to investment media.

Most of the interviews last year were in the form of “virtual conferences” to comply with social distancing measures, leading to time management for maximum benefits. Moreover, since the relocation to the new Head Office in February 2020, the Company has had the opportunities to welcome investors and fund managers to its business units, including the Commerce Business Unit, and the Television and Radio Media Business Unit, to promote better understanding of how the systems and functions of all business units are coordinated to work together.

- In addition, the Company prepared the Annual Registration Statement (Form 56-1 One Report), published on the SETLink of the Stock Exchange of Thailand as well as on the Company's website. The Company's Form 56-1 One Report has been distributed to shareholders in QR code format.

7.6.3) Auditor's Remuneration

Audit fee

The Company and its subsidiaries have paid the audit fee for the year 2020 as follows:

- The Company paid the audit fee to PricewaterhouseCoopers ABAS Co., Ltd., in a total amount of 5,350,000 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 2020)	Amount (accrue for future)
1)	RS Public Company Limited	Operations in accordance with	PricewaterhouseCoopers	-	150,000
2)	RS Television Co., Ltd.	agreed-upon	ABAS	-	150,000
3)	RS Mall Co., Ltd	procedures		82,000	-
Total Non-audit fee				82,000	300,000



8. Report of Corporate Governance



8) Report of Corporate Governance

8.1) Summary of the Board's Performance in 2020

8.1.1) Nomination, Development and Evaluation of the Board of Directors

Definition of Independent Directors

Independent Directors are defined as external Director, not involving in Executives, company staff, Executive Director or authorized signatory Director, and be independent from major shareholders, Executives and related parties. In addition, Independent Directors are able to consider equitable treatment to shareholders and to preempt any possible conflict of interest between the Company and related parties*. Independent Directors shall possess the qualifications as follows:

1) Not hold shares exceeding 0.5% of the total number of shares entitled to voting rights in the Company, the parent company, the subsidiary companies, the associated companies or any corporations that may cause a conflict of interest, which shall be inclusive of the shares held his/her related parties*.

2) Not be Executive Directors** nor have been an employee/staff member/advisor getting salary paid, both in present time and two years before the appointment, of/by the Company, the parent company, the subsidiary companies, the associated companies, the affiliated companies*** or any corporations that may cause a conflict of interest.

3) No relationship by blood or legal registration as parent, spouse, sibling, son/daughter and/or son/daughter in-law of an Executive or a major shareholder, a person with controlling power, or a candidate who will be nominated as an Executive or a person in charge of the operations of the Company or the subsidiary companies.

Remarks * Related parties mean persons under Section 258 of Securities and Exchange Act.

** Executive Directors means persons who involve in the management of the Company, hold office and are in charge of the Company as an Executive, and are authorized signatories to execute a binding document on behalf of the Company, except a specified person in any transaction already been approved by the Board to sign a binding document jointly with other Director(s).

*** Affiliated companies mean subsidiaries of two and up having the same parent company.

4) Business relations can be divided as follows:

- Relationship types
 - Relationship between professional service providers and users
 - Features : Auditors, other professional service providers such as legal consultants, financial advisors, property appraisers, etc
 - Significant levels that are categorized non-independence
 - Auditors : Be prohibited in all cases
 - Other professional service providers : Transaction value exceeds 2 million baht a year.
 - Trade/Business Relations (apply the similar guidelines to the Stock Exchange's requirements regarding related party transactions)
 - Features: Business transactions in all types including normal transactions, real property leases/out-leases, asset/service-related transactions, and financial assistance grants or receipts.
 - Significant levels that are categorized non-independence: Transaction value is ≥ 20 million baht or ≥ 3 percent of the Company's NTA (net tangible assets), whichever is lower. While considering a value in each time of transaction, the total value of previous transactions over the past 6 months shall be inclusive.
- The same relationship as Type (a) with corporations that are categorized non-independence such as major shareholders, Directors (except independent/audit Directors) and Executives or partners of those corporations.
- Prohibited period for no relationship in both types (a) and (b) : In present time and 2 years before the appointment.
- Exemptions: In a necessary and reasonable case which does not happen frequently or constantly, an independent/audit Director may bear a relationship beyond the significant levels, as set out above, during his or her term in office, provided that a prior and unanimous approval from the board of the Company is obtained. Furthermore, the board of the Company must provide the disclosure of information regarding the aforesaid relationship in a registration statement for a public offering or securities placement (filing form), an annual information disclosure/annual report (Form 56-1 One Report). If that independent/audit Director is

nominated for another term, the board of the Company shall provide a description of the said relationship in the notice of the shareholders' meeting on an agenda for the election of Director.

5) Not be appointed as a representative of any board members or major shareholders of the Company, as well as being not appointed as a representative of other shareholders who bear relationship with major shareholders of the Company.

6) No restrictions that make him/her unable to freely express his/her opinions.

7) An independent Director, with the complete qualifications, as stated in clauses 1-6, may be designated and authorized by the board of the Company to make a decision regarding the operations of the Company, the parent company, the subsidiary companies, the associated companies, the affiliated companies and/or other corporations that may cause a conflict of interest, which such decision can be collectively made (collective decision).

If an independent Director of the Company also holds office as an independent Director for the parent company, the subsidiary companies and the affiliated companies, the board of the Company shall provide the disclosure of such information as well as the disclosure of overall remuneration that certain independent Director gets paid, in the filing form, Form 56-1 One Report.

Nomination of Directors

The Board of Directors Meeting No. 3/2550 (2007) held on February 26, 2007 had its resolution to appoint the Nomination and Remuneration Committee and also approved the responsibilities of the Nomination and Remuneration Committee. Hence, personnel selection for the Company's Director must proceed through the Nomination and Remuneration Committee. The Director's selection procedures must be done by the Nomination and Remuneration Committee whose consideration will be based as per qualification in section 68 of the Public Company Limited Act B.E. 2535 (1992) and the related announcements of the Securities and Exchange Commission. Moreover, considerations will be based on ability, experiences, knowledge and specific skill for the benefit and development of Company's business, and dedicating their times and efforts in conducting their duties. Then, the list will be submitted to the Board of Directors and shareholders' meeting for approval.

The Company offered opportunities to minority shareholders to nominate candidates for directorship in advance of the Annual General Meeting of Shareholders and clearly defined nomination criteria. A Company Notification providing details on the nomination criteria and procedures was posted on the Company's website. Shareholders having the required

qualification could fill out the form provided for this purpose and mail it to the Company within the designated time frame.

Shareholders exercise their right to nominate candidates for appointment as directors at every Annual General Meeting according to the following regulation and guideline:

- 1) One shareholder has one vote per one share.
- 2) Each shareholder may use all the votes under Item 1 to nominate one or several persons to be appointed as director(s);
- 3) In compliance with corporate governance principles, the Company gives shareholders an opportunity to elect directors individually by casting their votes for nominated persons one by one.
- 4) Each director is elected by majority vote of shareholders attending the meeting and casting their votes
- 5) Persons who receive the highest sequential votes will be appointed as Directors equal to the required number of that particular election. In the case of any persons receiving equal sequential votes which are more than the required number, the Chairman will make the final decision.

8.1.2) Meeting Attendance and Remuneration of Directors

Board of Director Meeting

The Director meetings are arranged at least quarterly and extraordinary meetings in between as deemed necessary. All meetings have apparently set-out agenda and planned meeting date and are intended to consistently monitor company's performance. Invitation, agenda and information handouts are duly distributed at least 7 days prior to the meeting so directors have a chance to familiarize themselves to the issues except the urgent meeting. The Chairman of the Board of Directors, the Chief Executive Officer and one Independent Director make decision on agendas for the Board of Directors' meeting with emphasizing that important subjects have to be in the meeting agendas. The Directors can freely submit agenda and the Board of Directors can access necessary information from the Chief Executive Officer. The Independent Director/Audit Committees (see detail in Definition of Independent Directors) all attend all meetings. In 2020, there were 8 meetings at the Company's head office. Every Director attended all meetings except Mr. Sorat Vanichvarakij who was unable to attend 2 meetings due to personal commitment. If any

Director has significant conflict of interest in any agenda, such Director shall not attend the meeting during the consideration of that agenda.

In addition, the Board of Directors' minimum quorum for meeting resolution must not be less than two third of total number of Directors. The Company's Board of Directors has its policy in allowing the non-Executive Directors to conduct their own meeting as deem necessary. This is to debate all issues concerning management without the Executives' presence, and the Chief Executive Officer will be informed of the result of the meeting.

Summary of the Board of Directors' and Shareholders' Meeting Attendance in 2020

The details of meeting attendance of each director are as follows:

Members of The Board of Directors	Position	Board of Directors Meeting	%	Shareholders Meeting	%
1) Mr. Surachai Chetchotisak	Chairman	8/8	100	1/1	100
2) Mrs.Pornpan Techarungchaikul	Director	8/8	100	1/1	100
3) Mr. Wittawat Wetchabutsakorn*	Director	7/8	88	1/1	100
4) Mr. Danaisidh Peslapunt	Director	8/8	100	1/1	100
5) Mr. Sorat Vanichvarakij	Director	6/8	75	1/1	100
6) Mr. Phisit Dachanabhirom	Independent Director	8/8	100	1/1	100
7) Mrs. Wansuda Thanasaranart	Independent Director	8/8	100	1/1	100
8) Mr. Chakkrit Parapuntakul	Independent Director	8/8	100	1/1	100

Remark * Mr. Wittawat Wetchabutsakorn was appointed as a Director, effective from January 31, 2020.

Remuneration

The Company has clearly and transparently stipulated policy on remuneration for the Chief Executive Officer and high level Executives. The Company has both short term and long term policies to provide appropriate benefits that are fair and aligned with knowledge, abilities, expertise, duties, responsibilities and individual performance as well as the expected benefit from each Executive that is in line with the Company's strategy, long term objective and performances in both short term and long term, including to be within the similar level of the same industry. The Nomination and Remuneration Committee regulated the performance evaluation of Chief

Executive Officer and proposed for the approval of the Board of Directors. Also, the Chief Executive Officer's performance was evaluated by the Company's Board of Directors which only consisted of Independent Directors.

The Directors' remuneration policy has set in accordance with the duties, responsibility and the Company's operating results as well as the similar level of the same industry which was high enough to attract the qualified Directors. The Directors' remuneration must be approved by the shareholders' meeting. On July 31, 2020, the shareholders' meeting resolved to approve remuneration of committee members. A brief summary is presented below:

Type of Remuneration	Fixed remuneration (Baht/Month)	Meeting Allowance (Baht/Time)
Remuneration of Director		
- Chairman	-	25,000
- Directors	-	20,000
Remuneration of Audit Committee		
- Chairman of Audit Committee	50,000	25,000
- Audit Committee	45,000	20,000

1) Cash Remuneration

Director Remuneration

List	Year 2020		
	No. of member	Amount (Baht)	Detail of Remuneration
Director	8	2,260,000	Annual remuneration and meeting allowance
Audit Committee	3	2,005,000	Fixed remuneration and meeting allowance

The detail of annual remuneration and meeting allowance are as follows:

No	Members of The Board of Directors	Board of Director		Audit Committee		Amount
		Annual remuneration ¹ (Baht)	Meeting allowance (Baht)	Monthly remuneration (Baht)	Meeting allowance (Baht)	
1)	Mr. Surachai Chetchotisak	-	200,000	-	-	200,000
2)	Mrs. Pornpan Techarungchaikul	-	160,000	-	-	160,000
3)	Mr. Wittawat Wetchabutsakorn ²	-	140,000	-	-	140,000

No	Members of The Board of Directors	Board of Director		Audit Committee		Amount
		Annual remuneration ¹	Meeting allowance	Monthly remuneration	Meeting allowance	
		(Baht)	(Baht)	(Baht)	(Baht)	
4)	Mr. Danaisidh Peslapunt	-	160,000	-	-	160,000
5)	Mr. Sorat Vanichvarakij	-	120,000	-	-	120,000
6)	Mr. Phisit Dachanabhirom	400,000	160,000	600,000	125,000	1,285,000
7)	Mrs. Wansuda Thanasaranart	300,000	160,000	540,000	100,000	1,100,000
8)	Mr. Chakkrit Parapuntakul	300,000	160,000	540,000	100,000	1,100,000
Total		1,000,000	1,260,000	1,680,000	325,000	4,265,000

Remark 1) Director remuneration is the benefit paid to the Company's Directors in accordance with Section 90 of the Public Company Limited Act B.E.2535 (1992) (excluding salary and relevant benefits paid to the Directors who also serve as the Company's Executives). There is no remuneration for the directors of subsidiaries.

2) Mr. Wittawat Wetchabutsakorn was appointed from the meeting of the Board of Directors No. 1/2563 (2020) as a Director to replace Mr. Darm Nana, effective from January 31, 2020.

2) Other Remuneration

-None-

Self - Evaluation on the Performance of the Board of Directors

The Company's Board of Directors arranges for its self - evaluation annually by using the Company's self - evaluation form. The Board of Directors will individually and jointly consider their performances for their joint consideration in order to improve for more efficient operations.

Self - evaluation elements consist of the structure and qualification, roles, duties, responsibilities, meeting and duties of the Board of Directors, relationship with management, self - development of the Board, and development of Executives.

In addition, the Nomination and Remuneration Committee shall provide suggestions on regulations for the evaluation on performance of Chief Executive Officer and propose for the approval of the Board of Directors. Results of the performance will be evaluated by the evaluation form specified by the Nomination and Remuneration Committee and to be evaluated by the Company's Board of Directors which only consists of Independent Directors for further consideration and improvement.

The Company's Board of Directors arranged for its self - evaluation on yearly basis. On February 24, 2021, the Company's Board of Directors' meeting No. 2/2564 (2021), had made

annual consideration on self - evaluation of the Company's Board of Directors of 2020, so that the Company's Board of Directors could jointly consider the performances, and problems for further improvement. Results on performance of the Chief Executive Officer for the year 2020 had been evaluated by the Company's Board of Directors which consisted of only Independent Directors for further consideration and improvement.

Moreover, the Board of Directors has assessed performance evaluations of all other committees and individual person including Audit Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainable Development Committee, Risk Management Committee, Executive Committee and Human Development Committee.

Evaluation results of the Board of Directors and sub-committees in 2020 details are as follows:

1) The result of the evaluation of Board of Directors in 2020 in group was 95.76 percent and in an individual was 90.91 percent, counted as excellent.

2) The result of the evaluation of Audit Committee in 2020 in group was 90.77 percent and in an individual was 92.73 percent, counted as excellent.

3) The result of the evaluation Nomination and Remuneration Committee in 2020 in group was 91.2 percent, and in an individual was 92.73 percent, counted as excellent.

4) The result of the evaluation of Corporate Governance and Sustainable Development Committee in 2020 in group was 83.75 percent, and in an individual was 89.09 percent, counted as very good.

5) The result of the evaluation of Executive Committee in 2020 in group was 90.67 percent, and in an individual was 89.09 percent, counted as excellent and very good, respectively.

6) The result of the evaluation of Risk Management Committee in 2020 in group was 87.14 percent, and in an individual was 87.27 percent, counted as very good.

7) The result of the evaluation of Human Development Committee in 2020 in group was 82.67 percent, and in an individual was 98.18 percent, counted as very good and excellent, respectively.

8) The result of the evaluation of Chief Executive Officer in 2020 was 100 percent, counted as excellent.

Directors and Executives' Development

The Company's Board of Directors has the policy on assigning the present Director to introduce new Director to the Company, and lecturing on the summarization of the Company's business plan, operating results, strategy, competitive situations, vision, corporate culture, corporate governance, business ethics and other details concerning the Company's operation etc.

The Company's Board of Directors has the policy to create and develop new knowledge for Directors and Executives by encouraging them to attend seminars and meetings which provide useful topics that have been arranged by the Thai Institute of Directors and other related organizations in order to support efficient operations, with all costs to be financially supported by the Company. In 2020, the Company has supported for the training detailed as follows:

Name-Surname	Mr. Wittawat Wetchabutsakorn
Position	Director, Executive Director and Chief Financial Officer
Training Courses in 2020	1) CFO's Orientation Course for New IPOs Class 4 (Orientation 12 hours) by Thailand Securities Institute (TSI), the Stock Exchange of Thailand. 2) CFO's Course for TFRS 2020 by Dharmniti Seminar and Training Co.,Ltd

Succession Plan for the Chief Executive Officer and High Level Executives

The Company's Board of Directors supports the arrangement of succession plan that will assist in smooth operation of the Company. Moreover, the Board of Directors also makes preparation for the executive development program for the succession plan of the Chief Executive Officer and high level Executives in case that they cannot perform their duties. This is to reduce risks from dis-continuation in corporate management with the following procedures:

1) The Executive Committee and Human Development Committee shall consider and select high potential Executives for further development and preparation.

2) The Human Development Committee shall develop the assigned group by preparing for the high level development plan for high level Executives.

3) The Executive Committee and Human Development Committee shall together make the appropriate selection on candidates for the positions of the Chief Executive Officer and high level Executives. For the selected position of the Chief Executive Officer, the selection shall

proceed to the Nomination and Remuneration Committee, and the Company's Board of Directors for consideration.

4) The Nomination and Remuneration Committee shall make consideration on the proposed person concerning the suitability, knowledge and competency that will benefit the Company with other necessary related information for proposal in the Company's Board of Directors meeting for further appointment.

Diversity policy in the Board of Directors' structure

The Company Board of Directors has stipulated the qualification for director selection so that it will correspond with the business operations' strategy of the Company, and contains diversity for those who perform their duties as Directors. Consideration will be made for the shortage skill presented in the Board of Directors including profession, specialized skill, and gender, etc. Moreover, the Board of Directors also uses the information in the director pool to search for the new director but the qualification is still not suitable to the Company at the time. For the Director selection, the Board of Directors prepares the Board Skill Matrix to specify qualification of the required director with consideration from business operations' strategy of the Company.

The Board of Directors Independence from Management

The Company's Board of Directors consists of 4 non-Executive Directors (3 Independent Directors), and 4 Executive Directors. The details of each Director are listed in the topic of Board of Directors.

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.

Suitability of the Board of Directors

The Company's Board of Directors has stipulated suitable qualifications for persons to hold this position as person with knowledge, experiences, and specific capability for Company's benefit. This includes dedicating time, knowledge, capability and effort in performing duty for the Company. There is also regulations for all Directors and high level Executives* to report their securities holding consistently to the Company's Board of Directors.

The Director, in the Company's Board of Directors, is not allowed to hold position as Director in the public companies of more than 5 companies, and Executive Director is not allowed to hold position as Director in other public companies of more than 2 companies. This includes holding position as Director of the Company's Chairman of Executive Committee and high level Executive* in other public companies must be approved by the Company's Board of Directors beforehand.

The Director or the high level Executive of the Company must not be employed as employee or partner of the Company's external auditor company during the past 2 years.

The Board of Directors' Efficiency in Performing its Duties

Policy Stipulation

The Company's Board of Directors participates in regulating core purpose, motto, culture, core values, strategy, objective, business plan and budget of the Company. This also includes supervision on the Executive team to proceed as business plan, and agreed budget efficiently and effectively, arrangement on good corporate governance policy, internal control system, internal auditing and suitable risk management and policy, including consistently follow up on operating performances in the Board of Directors' meeting. Moreover, the Board of Directors has to make consideration on regulations and separation of duties, and responsibilities clearly among the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee, Executive Committee, Human Development Committee and the Chief Executive Officer.

The Board of Directors Meeting No. 2/2564 (2021) on February 24, 2021, the Board of Directors reviewed and approved the Company's core purpose, motto, culture, and core values at least once a year.

Management Supervision

The Company's Board of Directors evaluated adequacy of internal control and result on risk management and compliance with the good corporate governance policy at least once a year and these considerations were made on February 24, 2021, the Company's Board of Directors meeting No. 2/2564 (2021).

8.1.3) Overseeing the Operations of Subsidiaries and Associated Companies

Nominations and voting for appointment as a Director, Executive or for controlling interest in subsidiaries and associated companies must be approved by the Board of Directors in writing. The exception is when such company is small and considered to be operating arms of the Company. The Board of Directors delegates the Chief Executive Officer as the appointee. The person appointed to the Board of Directors, as the Executive, or as the controlling interest in subsidiaries or associated companies has a responsibility to ensure the best interests of its subsidiaries or associates in accordance with the policies of the parent company. The Company has also determined that the person who has been appointed must be approved by the Board prior to the vote or when voting on important matters. Similarly, Board approval must be sought if this measure is carried out by the Company itself.

In addition, in the case of a subsidiary, the person appointed by the Company must ensure that the subsidiary is subjected to regulations in relation to the connected transaction with the Company. Data and accounting records should be kept for auditing. The consolidated financial statements should also be collected and prepared by the deadline, the established system of internal controls should be appropriate and tight enough, and all processes should be done legally and according to relevant guidelines.

8.1.4) Follow-up on Compliance of Corporate Governance Policies and Practices

The Company pays close attention to Good Corporate Governance by defining relevant policies and practices that are established in the Corporate Governance Policy and Code of Conduct handbook of the Group, as well as to promote real practices to build confidence among all groups of stakeholders.

At the Board of Directors' Meeting, No. 2/2564 (2021) on February 24, 2021, the Committee reviewed, revised and approved the Good Corporate Governance Policy and the Code of Conduct handbook of the Group, as well as monitored and evaluated the implementation of the aforementioned policy.

The Company has a policy for directors, executives and employees of all levels to strictly comply with specifications in the Code of Conduct of the Company's Group. The Company and its subsidiaries did not have any legal disputes that affected the Company's business operations significantly, or any negative impact that may affect the assets of the Company or its subsidiaries with an amount higher than 5 percent of the shareholders' equity as of December 31, 2020.

Additionally, there were no legal disputes arising from typical business operations of the Company or its subsidiaries.

In addition, the Company followed up to achieve Good Corporate Governance practices in the following areas:

Anti-Corruption Policy

The Company pays attention to the work performance of employees at all levels including directors, advisors, executives, and employees who work in the Company. This also includes any persons involved in the Company's business operations. It is forbidden to solicit, act or accept corrupt benefits for oneself, family, friends or acquaintances. It is forbidden to conduct or accept any form of bribery, both direct and indirect. This includes all businesses, all departments and all related countries. All business practices must be regularly monitored to ensure that they comply with the Anti-Corruption Policy, as well as to review duties and responsibilities, procedures and operational measures in order to comply with changes in business, laws, regulations, announcements, policies, morality, ethics, local customs and traditions, as well as proper trade expectations.

On December 2, 2020, the Corporate Governance and Sustainable Development Committee proposed an agenda at to the Board of Directors meeting, and passed a resolution approving a decision for the Company to participate in the Private Sector Collective Action Coalition against Corruption (CAC) project. The meeting committee considered that this contributes to the improvement of Good Corporate Governance. It is important to drive business operations and cooperate to grow sustainably. The first goal is to show intention to join the project, and the next goal is to become certified as a member of the project as soon as possible.

There were zero cases of corruption reported.

Awareness and Prevention of Risks due to Corruption and Overseeing the Implementation of Anti-Corruption Policies

1) Hold training workshops, communicate, and ensure for staff members acknowledge anti-corruption policy and guidance.

2) Create opportunity for staff members at all levels to give opinions and suggestions to improve internal systems and prevent corruption appropriately and concisely.

3) Directors, Executives and managers at all levels are responsible for monitoring their subordinates to act in a transparent and honest manner, as well as to communicate with and acknowledge anyone who is involved.

4) The Internal Audit department shall carry out the Company's annual assessment. If any risks or related effects of corruption is found, that information shall be brought to the attention of the Audit Committee and the Board of Directors.

5) The channel to report clues and complaints of corruption, from staff members or the stakeholders, is via email at IA_Anti_Corruption@rs.co.th. Whistleblowers shall cooperate for every evidence investigation.

Conflict of Interest

The Company is committed to conducting business with transparency, fairness and accountability. Therefore, we have a policy on conflict of interest, using the principle that any decision to enter into a transaction must protect the best interests of the Company and its shareholders, and to avoid actions that may lead to conflicts of interest. In this regard, the directors or executives who are involved or have interests with the subject being considered must notify the Company of their relations or interests in the transaction and must not participate in the consideration. This includes having no power to approve such transactions, connected transactions, inter-transaction and situations that lead to conflicts of interest.

There were zero cases of conflicts of interest.

Measures for Protection and Confidentiality of Complainants

The Company attaches importance to keeping complaints confidential in order to ensure the confidence of the complainant. Complaints will be recognized only among the assigned and involved persons. Any person who is aware of the complaint, or has information related to the complaint, must keep the information about the complaint confidential. Complaints must not be disclosed to any other persons, except for the provisions related to due diligence or as required by law. In cases of violations regarding the disclosure of information, the Company will take disciplinary action and / or take legal action, depending on the case.

Whistleblowing

For any requests regarding accounting and financial reports, internal control, risk management, compliance with the law and ethics, the Company Secretary will be the recipient

and summarize the issues for the Audit Committee and the Board of Directors on a quarterly basis. The Company emphasizes confidentiality of complaints, in order to build confidence for the complainant, and recognition of complaints pertains to those among the assigned and involved persons only.

The Company has provided a channel for whistleblowing and receiving complaints from all groups of stakeholders via the Company's website and other channels such as

Contact Person	E-mail	Telephone	Mail
Internal Audit Department	ia_anti_corruption.rs.co.th		RS Public Company Limited
Company Secretary			27 RS Group Bldg., Prasert-
Investor Relations	ir@rs.co.th	0-2037-8126	Manukitch Rd.,
Sustainable Development	sd@rs.co.th	0-2037-8125	Sena Nikhom, Chatuchak, Bangkok 10900

In 2020, there were no complaints from operations that did not comply with the law, no penalties in a non-monetary form were paid, and no corruption cases were found. In order to improve the tracking of complaints, the Company will set up an internal complaint and whistleblowing system, which will be easily available to employees.

8.2) Performance of Audit Committee

In 2020, the Audit Committee had 5 meetings in which all members attended all meetings and consistently reported their operating results to the Company's Board of Directors. There were 2 meetings that the Audit Committee met privately with the external auditor without the Executive team being present.

Audit Committee Meeting Attendance for year 2020

Name-Surname	Position	No. of Attendance	%
1) Mr. Phisit Dachanabhirom	Chairman of Audit Committee	5/5	100
2) Mrs. Wansuda Thanasaranart	Committee	5/5	100
3) Mr. Chakkrit Parapuntakul	Committee	5/5	100

8.3) Performance of Sub-committees

Nomination and Remuneration Committee

The Company's Board of Directors meeting No. 3/2550 (2007), on February 26, 2007, has appointed the Nomination and Remuneration Committee, its scope of authority, and remuneration. The committee consists of 3 qualified persons which has 3 Independent Directors in which one of them is the Chairman of the Nomination and Remuneration Committee, the committee has 3 years duration. Details are listed in the topic of Management Structure.

In 2020, the committee had 3 meetings in which all members attended all meetings. The committee consistently reported their operating results to the Company's Board of Directors.

Nomination and Remuneration Committee Meeting Attendance for year 2020

	Name-Surname	Position	No. of Attendance	%
1)	Mr. Phisit Dachanabhirom	Chairman	3/3	100
2)	Mrs. Wansuda Thanasaranart	Committee	3/3	100
3)	Mr. Chakkrit Parapuntakul	Committee	3/3	100

The details of important performances in 2020 were summarized as follows:

- 1) Considered the nomination and selection of qualified and suitable person as replacement for the Board of Directors retired member.
- 2) Considered, reviewed and approved the charter of the Nomination and Remuneration Committee.
- 3) Considered and reviewed the appropriateness of the pattern and criteria of the remuneration.
- 4) Reviewed the annual Directors' remuneration.
- 5) Considered the Chief Executive Officer's evaluation criteria.
- 6) Evaluated the performance of the Nomination and Remuneration Committee in 2020.
- 7) Considered the resignation of director and appointed new director replacing resigned director.
- 8) Approved the appointment of member of Human Development Committee replacing resigned member.

9) Approved the appointment of Chairman and member of Corporate Governance and Sustainable Development Committee replacing resigned member.

10) Approved to change the name of Corporate Governance Committee.

11) Approved the Charter of Corporate Governance and Sustainable Development Committee.

12) Approved the appointment of member of Risk Management Committee.

13) Reported their duties to the Board of Directors on regular basis.

The Nomination and Remuneration Committee commented that the stated items were suitable to the utmost long-term benefit for the Company, shareholders and stakeholders.

The Executive Committee

The Executive Committee is consists of 3 qualified persons. In 2020, the Executive Committee had in total of 6 meetings.

Name-Surname	Position	No. of Attendance	%
1) Mr. Surachai Chetchotisak	Chief Executive Officer	6/6	100
2) Mrs. Pompan Techarungchaikul	Chief Commercial Officer	6/6	100
3) Mr. Wittawat Wetchabutsakorn	Chief Financial Officer	6/6	100
4) Mr. Danaisidh Peslapunt	Chief Legal Officer	6/6	100
5) Ms. Kunchanya Karuhadej	Chief People Officer	6/6	100

The details of important performances in 2020 were summarized as follows:

1) Made preparation, suggested and stipulated guideline on business policy of the Company to the Board of Directors.

2) Stipulated business plans and administration, and approved the budget for the annual business plan and annual spending budget, including proceed as per business plan and business strategy in accordance with the stated business policy and guideline as stated to the Board of Directors.

3) Oversaw, controlled and supervised on the management in accordance with the laid down strategies and plans.

4) Other assigned duties given in specific periods by the Board of Directors.

The Executive Committee had performed its duties with caution to its full capability and in relation with good corporate governance policy and code of conduct of the Company's group for the benefit of the Company, shareholders and stakeholders in the long term.

Risk Management Committee

The Company's Board of Directors meeting No. 5/2553 (2010) on August 16, 2010 had the resolution to appoint, authorize the scope of responsibilities and consider remuneration of the Risk Management Committee. The Committee consisted of 2 qualified persons. In 2020, the Company's Risk Management Committee had 1 meeting to plan, review the system, or evaluate efficiency of the risk management.

Name-Surname	Position	No. of Attendance	%
1) Mrs. Pornpan Techarungchaikul	Chairman	1/1	100
2) Mr. Wittawat Wetchabutsakorn *	Committee	1/1	100
3) Mr. Danaisidh Peslapunt	Committee	1/1	100

Remark: * Mr. Wittawat Wetchabutsakorn was appointed as a member of the Risk Management Committee, effective from November 12, 2020.

The details of important performances in 2020 were summarized as follows:

- 1) Considered major risks of the Company, proceed with risk management and evaluated risk management to be in accordance with strategies and business plan of the Company.
- 2) Supervised and promoted the risk management as planned.

The Risk Management Committee had performed its duties with caution to its full capability and in relation with good corporate governance policy and code of conduct of the Company's group for the benefit of the Company, shareholders and stakeholders in the long term.

Corporate Governance and Sustainable Development Committee

At the Board of Directors Meeting, No. 1/2554 (2011) on February 23, 2011, the Corporate Governance Committee was appointed and the scope of authority and duties were approved. Subsequently, on November 12, 2020, the Board of Directors Meeting No. 7/2563 (2020), approved the name change from "Corporate Governance Committee" to "Corporate Governance and Sustainable Development Committee", and approved an extension of the scope of authority, by preparing the charter of the Corporate Governance and Sustainable Development Committee.

The Board of Directors consists of 3 experts; please see details under the topic of Corporate Governance Structure of the Company.

In 2020, the Corporate Governance and Sustainable Development Committee reviewed and improved the Good Corporate Governance Policy, Code of Conduct Handbook of the Company's Group, and other related policies, including the monitoring and evaluation of the implementation of such policies, one time. The Corporate Governance and Sustainable Development Committee also considered sustainable development for stakeholders covering economic, social and environmental aspects.

Name-Surname	Position	No. of Attendance	%
1) Mr. Wittawat Wetchabutsakorn*	Chairman	1/1	100
2) Ms. Kunchanya Karuhadej**	Committee	1/1	100
3) Mr. Parin Fuangvut***	Committee	1/1	100

Remarks: * Mr. Wittawat Wetchabutsakorn was appointed as a Chairman of the Corporate Governance and Sustainable Development Committee to replace Mrs. Pornpan Techarungchaikul , effective from November 12, 2020.

** Ms. Kunchanya Karuhadej was appointed as a member of the Corporate Governance and Sustainable Development Committee to replace Mr. Danaisidh Peslapunt, effective from November 12, 2020.

*** Mr. Parin Fuangvut was appointed as a member of the Corporate Governance and Sustainable Development Committee, effective from November 12, 2020.

The summary of the work in 2020 is as follows:

- 1) To set guidelines, promote and make recommendations for the sustainable development of the environmental and social aspect of Good Corporate Governance
- 2) To review the Good Corporate Governance Policy and the RS Group's Code of Conduct handbook and other related policies
- 3) To encourage operations to align with the Good Corporate Governance Policy, RS Group's Code of Conduct handbook and other related policies
- 4) To give advice on Good Corporate Governance to the Board of Directors
- 5) To set guidelines and review reports on Good Corporate Governance practices for submission in the Annual Report

The Corporate Governance and Sustainable Development Committee has acted deliberately, using knowledge and capability consistent with sustainable development operations, including the Good Corporate Governance Policy and Code of Conduct of the Group,

through correctness and transparency and acted beneficially for the Company, shareholders and long-term stakeholders.

Human Development Committee

The Human Development Committee consists of 4 qualified persons. In 2020, the Human Development Committee had in total of 6 meetings.

Name-Surname	Position	No. of Attendance	%
1) Mr. Surachai Chetchotisak	Chairman	6/6	100
2) Mrs. Pornpan Techarungchaikul	Committee	6/6	100
3) Mr. Chakrit Pichyangkul	Committee	6/6	100
4) Ms. Kunchanya Karuhadej	Committee	6/6	100

The details of important performances in 2020 were summarized as follows:

1) To set a policy framework and guidelines for human resource management to rebrand towards a modern corporate structure and to set a clear goal for the human resource development project

2) To determine the core values related to corporate culture, including determining ways to communicate with employees and those outside of the Company, and to organize core value activities to enhance employee understanding, and to ensure business operations reflect the core values

3) To adjust strategy and procedures for human resource management, such as setting a new salary structure and compensation rate for new employees that is both fair and competitive

4) To implement a goal setting system and tools for the whole organization, departments and individuals according to their roles and responsibilities, and to establish fair human resource performance measurements in accordance with work performance and values

5) To encourage individual development by organizing training sessions using technology to disseminate knowledge through education and experience, and to set individual development plans in order to see quicker results though intense effort

6) To consider and resolve issues related to human resource development in accordance with the guidelines approved by the Board of Directors

9. Internal Control and Related Parties Transactions



9) Internal Control and Related Transactions

9.1) Internal Control

The Company emphasizes the importance of promoting the internal control to be sufficient and suitable for its business operations, in order to protect asset of against damage or improper beneficial usage. The audit department is responsible for auditing operations and important financial activities, and submitting the audit report directly to the Audit Committee. This is to give the audit department enough independence in its operations. At present, the head of the internal audit is

Name-Surname	Ms. Korapin Naksuprangsri
Position	Assistant Director of the Internal Audit Department
Education	Master Degree in Business Administration, Thammasat University Bachelor degree in Accounting, Chulalongkorn University
Experiences	Dec 2001 - Present Assistant Director of the Audit Department at RS Public Company Limited 1993 - 2001 Assistant Manager at KPMG Phoomchai Audit Company Limited

During the Board of Directors Meeting No. 2/2021 on February 24, 2021 in which 3 members of the Audit Committee were presented, the Audit Committee had evaluated the sufficiency of internal control system by checking information from the Executives, and reply from questionnaires on sufficiency of the Company's internal control system by themselves. The evaluation on the Company's internal control system was summarized into 5 parts as follows:

1) Corporation and Environment: The Company recognizes good environment in the work place by stipulating on good corporate governance policy and using code of conduct manual of the Company Group. These are publicized as references and guidelines for operations, and to be followed up and evaluated on the result of the policy. Moreover, the Company's Board of Directors has to clearly stipulate the target of business operations, review the business plan and give suggestion to the management for consideration and operation.

2) Risk Management: The Company emphasizes the importance of risk management by appointing the Risk Management Committee for stipulate the policy, oversee and support the risk management to ensure that it is in accordance with the policy, or plan and with successful implementation.

3) Operational control of the Management: The Company has the policy, regulation, operational guideline, authorization and approving power in order to have strict control.

4) Information and Data Communications System: The Company has provided the information systems that systematically relate to the accounting and financial reporting, in accordance with the controlling policy and regulations.

5) Monitoring System: The Company's Board of Directors acknowledges the operating results comparing to targets for every quarter, and having the internal control department that evaluates the sufficiency and efficiency of the existing control system, and monitoring the internal control system of various work units to be in accordance with the approved controlling plan from the Audit Committee.

Therefore, the Board of Directors had the opinion that, at present, the Company has sufficient internal control system concerning transactions with major shareholders, Directors, Executives, or those related to such person sufficiently. The Board of Directors also had the opinion that the Company has sufficient internal control already.

The Audit Committee is of the opinion that Ms. Korapin Naksuprangsi, Head of the Internal Audit Department, who has more than 20 years of audit experience, she has received adequate training in courses related to the performance of internal auditing and understands the operations of the Company. In this regard, is considered suitable to perform such duties appropriately. Any consideration of appointment, transfer, termination and consideration of the merit of the Chief of Internal Audit must be approved by the Audit Committee.

The Company assigns the Company's Legal Affairs to act as a compliance unit and is responsible for supervising the business operations of the Company and the Group of companies in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies or other agencies related to the Company's business operations. The Company's Legal Affairs has assigned Ms. Patcharee Maneetamwong as the Head of the Company's Corporate Compliance Department, with the qualifications of a person holding the position of the Head of the Company's Corporate Compliance Department of the Company's operations as it appears in Attachment 3.

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 December 31, 2020. 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 2020, the Company and its subsidiaries underwent related party transactions with individuals who may possess a conflict of interest from January 1, 2020 as follows:

Person who may Encounter Conflicts	Relationship
Mr. Surachai Chetchotisak	He is a director and major shareholder who holds 22.64 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 who holds 22.64 percent of the Company's shares. 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 percentage 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.

Person who may Encounter Conflicts	Relationship
	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 December 30, 2020.

The Company had related party transactions with persons with a possibility of conflict of interest in 2020, as follows:

Person who may Encounter Conflicts	Relationship	Nature of Transaction	Amount (million baht)	Necessity and Reasonableness of Transactions
Chetchotisak Company Limited	Common Directors and shareholders	Office rental, common service fee, and public utilities expense, agreement for 3 years	159.67	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

Person who may Encounter Conflicts	Relationship	Nature of Transaction	Amount (million baht)	Necessity and Reasonableness of Transactions
Membership Company Limited	Common Directors and shareholders	car park buildings and news studio rental, agreement for 3 years	2.09	The Audit Committee has opinion that the price of the rental and service fee are reasonable based on the market price when comparing to nearby buildings
Chetchot Company Limited	Common Directors and shareholders	Office rental, common service fee , and public utilities expense, agreement for 3 years	11.43	The Audit Committee has opinion that the price of the rental and service fee are reasonable based on the market price when comparing to nearby buildings

Purchase of Fixed Assets

-None-

Guarantee

-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 2020, 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 2020.

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 2020. 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.

Part
3 | Financial
Statement



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 2020, 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 2020;
- 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 5.9 a) on 'Television drama series production costs' and 20 on 'Net intangible assets' of the consolidated and separate financial statements.</p> <p>As at 31 December 2020, the Group had a production cost balance of Baht 597 million for a television drama series and movies that are an intangible asset. This represents 13.22% 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-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.</p> <p>I focussed on the amortisation method for the production costs using the number of episodes forecasted to be on-air, 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

Valuation of inventories

Refer to Note 9 d) Inventory provision and 13 'Inventories (net)' of the consolidated and separate financial statements

As at 31 December 2020, the Group has inventories (net) balance Baht 228.73 million, after net the allowance for obsolete and slow-moving inventories was Baht 8.30 million. Inventories, (net), represent 5.06% of total assets in the consolidated financial statements.

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.

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.

I gained an understanding of, and tested the estimate of allowance for obsolete and slow-moving inventories by performing these procedures:

- 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.

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.

Emphasis of matter

I draw attention to note 4.1, 5.6(d), 5.6(e), 5.15 to the consolidated and separate financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter.

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
24 February 2021

RS Public Company Limited
Statement of Financial Position
As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Assets					
Current assets					
Cash and cash equivalents	10	200,100,593	328,409,093	42,996,478	104,285,400
Trade and others accounts receivable (net)	11	711,408,947	516,373,744	548,961,895	561,632,556
Short-term loans to related companies (net)	37 d)	-	-	1,034,700,000	1,006,700,000
Inventories (net)	13	228,725,881	258,795,418	115,780	4,147,152
Value added tax	26	24,610,076	8,610,259	-	-
Other current assets (net)	14	8,684,428	4,593,844	677,049	1,817,844
Total current assets		1,173,529,925	1,116,782,358	1,627,451,202	1,678,582,952
Non-current assets					
Contract assets - non-current	11	10,000,000	28,460,824	10,000,000	28,460,824
Investments in subsidiaries (net)	15	-	-	532,485,044	532,444,152
Investments in an associated company (net)	16	3,992,546	3,992,546	-	-
Plant and equipment (net)	17	641,880,556	503,783,449	487,484,726	409,046,698
Right of use assets (net)	18	471,486,947	-	237,829,068	-
License for operation right in spectrum of digital television (net)	19	598,720,594	670,748,615	-	-
Intangible assets (net)	20	1,314,037,630	702,789,651	110,316,228	111,070,961
Prepaid expense - non-current		-	696,666	-	-
Withholding tax (net)	21	156,404,476	165,615,539	25,522,031	59,836,570
Deferred tax assets (net)	22	123,568,442	200,796,413	85,872,673	92,623,154
Other non-current assets (net)		22,868,498	13,095,597	9,796,516	11,274,899
Total non-current assets		3,342,959,689	2,289,979,300	1,499,306,286	1,244,757,258
Total assets		4,516,489,614	3,406,761,658	3,126,757,488	2,923,340,210

Director _____

Director _____

RS Public Company Limited
Statement of Financial Position
As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Liabilities and equity					
Current liabilities					
Trade and other accounts payable	23	1,016,085,502	651,166,696	114,177,323	242,054,856
Retention payable		23,429,564	-	10,702,736	-
Current portion of lease liability agreement (net)	24	83,311,020	-	42,197,064	-
Current portion of liability under finance lease agreements (net)	24	-	6,729,866	-	6,729,866
Short-term loans from financial institutions	25	540,000,000	450,000,000	350,000,000	320,000,000
Short-term loans from related companies	37 e)	-	-	255,327,125	97,027,125
Current portion of long-term loans from financial institutions	27	80,000,000	80,000,000	-	-
Value added tax	26	36,883,597	34,996,464	33,307,694	32,968,814
Accrued income tax		21,563,289	30,660,198	13,009,535	26,712,960
Withholding tax payable		11,545,413	12,095,248	2,800,596	3,831,171
Other current liabilities		977,571	-	977,571	-
Total current liabilities		1,813,795,956	1,265,648,472	822,499,644	729,324,792
Non-current liabilities					
Lease liability agreement (net)	24	366,745,952	-	185,698,983	-
Liabilities under finance lease agreements (net)	24	-	2,580,565	-	2,580,565
Long-term loans from financial institutions	27	156,085,000	236,085,000	-	-
Deferred tax liabilities (net)	22	9,897	-	-	-
Employee benefit obligations	28	170,653,648	163,964,704	100,858,435	105,976,538
Provision for decommissioning costs		5,088,170	-	2,296,877	-
Retention payable - non current		-	11,423,096	-	6,398,098
Other non-current liabilities		42,363	37,363	20,000	15,000
Total non-current liabilities		698,625,030	414,090,728	288,874,295	114,970,201
Total liabilities		2,512,420,986	1,679,739,200	1,111,373,939	844,294,993

RS Public Company Limited
Statement of Financial Position
As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital	29.1				
Authorised share capital					
1,161,997,216 ordinary shares of par Baht 1 each		1,161,997,216	1,161,997,216	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	-
972,495,202 ordinary shares of par Baht 1 each		-	972,495,202	-	972,495,202
Premium on share capital	29.1	322,107,225	322,087,270	322,107,225	322,087,270
Treasury shares	29.5	(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	29.5	160,158,220	-	160,158,220	-
Unappropriated		587,007,031	309,980,034	600,452,326	664,135,693
Equity attributable to owners of the parent		2,001,938,254	1,724,889,558	2,015,383,549	2,079,045,217
Non-controlling interests		2,130,374	2,132,900	-	-
Total equity		2,004,068,628	1,727,022,458	2,015,383,549	2,079,045,217
Total liabilities and equity		4,516,489,614	3,406,761,658	3,126,757,488	2,923,340,210

RS Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Revenue					
Revenue from sales		2,381,378,687	2,012,441,388	-	27,670,300
Revenue from services		1,392,785,020	1,598,699,374	844,008,448	889,175,624
Total revenue and services income		3,774,163,707	3,611,140,762	844,008,448	916,845,924
Cost of sales		(801,666,768)	(680,003,091)	-	(17,604,101)
Cost of services		(966,995,535)	(1,339,959,121)	(542,137,541)	(403,173,880)
Total cost of sales and services		(1,768,662,303)	(2,019,962,212)	(542,137,541)	(420,777,981)
Gross profit		2,005,501,404	1,591,178,550	301,870,907	496,067,943
Other income	32	16,903,778	10,719,894	44,985,735	463,545,028
Profit before expenses		2,022,405,182	1,601,898,444	346,856,642	959,612,971
Selling expenses		(585,774,737)	(512,363,644)	(6,305,844)	(48,234,749)
Administrative expenses		(730,845,510)	(587,396,191)	(90,326,166)	(472,055,864)
Reversal of allowance for impairment on investments in subsidiaries (net)		-	-	40,892	20,592,275
Other expenses		(4,126,899)	(5,660,463)	(1,849,596)	(4,779,773)
Finance costs	34	(36,111,312)	(34,631,659)	(18,699,597)	(7,984,452)
Profit before income tax		665,546,724	461,846,487	229,716,331	447,150,408
Income tax	35	(137,269,081)	(97,451,696)	(42,496,624)	(81,931,484)
Profit for the year		528,277,643	364,394,791	187,219,707	365,218,924
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of post employment benefit obligations	28	5,914,159	(22,123,651)	6,349,270	(11,042,823)
Income tax on items that will not be reclassified		(1,182,832)	4,424,730	(1,269,854)	2,208,565
Other comprehensive income for the year, net of tax		4,731,327	(17,698,921)	5,079,416	(8,834,258)
Total comprehensive income for the year		533,008,970	346,695,870	192,299,123	356,384,666

RS Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit (loss) attributable to:					
Owners of the parent		528,278,160	363,343,967	187,219,707	365,218,924
Non - controlling interests		(517)	1,050,824	-	-
		<u>528,277,643</u>	<u>364,394,791</u>	<u>187,219,707</u>	<u>365,218,924</u>
Total comprehensive					
income attributable to:					
Owners of the parent		533,009,487	345,645,046	192,299,123	356,384,666
Non - controlling interests		(517)	1,050,824	-	-
		<u>533,008,970</u>	<u>346,695,870</u>	<u>192,299,123</u>	<u>356,384,666</u>
Earning per share for profit					
attributable to the					
equity holders of the parent					
Basic earning per share	36.1	<u>0.5505</u>	<u>0.3744</u>	<u>0.1951</u>	<u>0.3763</u>
Diluted earning per share	36.2	<u>0.5505</u>	<u>0.3583</u>	<u>0.1951</u>	<u>0.3602</u>

RS Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2020

Consolidated financial statements (Baht)										
For the year ended 31 December 2019										
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 2019	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	282,483,158	1,671,216,997	1,116,516	1,672,333,513	
The effect of change in accounting policy	-	-	-	-	-	25,850,904	25,850,904	-	25,850,904	
Opening balance after adjust	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	308,334,062	1,697,067,901	1,116,516	1,698,184,417	
Changes in equity for the year										
Increase in share capital	29.1	5,619,310	64,429,859	-	-	-	70,049,169	-	70,049,169	
Decrease in share capital from decreasing in treasury share	29.5	(43,273,300)	(600,184)	465,274,840	-	(421,401,356)	-	-	-	
Treasury shares reserve	29.5	-	-	-	-	(43,873,484)	43,873,484	-	-	
Dividends payment	30	-	-	-	-	(387,872,558)	(387,872,558)	(34,440)	(387,906,998)	
Total comprehensive income for the year		-	-	-	-	363,343,967	363,343,967	1,050,824	364,394,791	
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax		-	-	-	-	(17,698,921)	(17,698,921)	-	(17,698,921)	
Closing balance as at 31 December 2019		<u>972,495,202</u>	<u>322,087,270</u>	<u>-</u>	<u>120,327,052</u>	<u>-</u>	<u>309,980,034</u>	<u>1,724,889,558</u>	<u>2,132,900</u>	<u>1,727,022,458</u>

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2020

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	
				Legal reserve	Appropriated					Unappropriated
					Treasury shares 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	29.5 -	-	(160,158,220)	-	-	-	(160,158,220)	-	(160,158,220)	
Treasury shares reserve	29.5 -	-	-	-	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	<u>972,496,946</u>	<u>322,107,225</u>	<u>(160,158,220)</u>	<u>120,327,052</u>	<u>160,158,220</u>	<u>587,007,031</u>	<u>2,001,938,254</u>	<u>2,130,374</u>	<u>2,004,068,628</u>	

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2020

Separate financial statements (Baht)							
For the year ended 31 December 2019							
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 2019	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	633,950,934	2,022,684,773
The effect of change in accounting policy	-	-	-	-	-	17,799,167	17,799,167
Closing in equity for the period	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	651,750,101	2,040,483,940
Changes in equity for the period							
Increase in share capital	29.1 5,619,310	64,429,859	-	-	-	-	70,049,169
Decrease in share capital from decreasing in treasury shares	29.5 (43,273,300)	(600,184)	465,274,840	-	(421,401,356)	-	-
Treasury shares reserve	29.5 -	-	-	-	(43,873,484)	43,873,484	-
Dividend paid	30 -	-	-	-	-	(387,872,558)	(387,872,558)
Total comprehensive income for the year	-	-	-	-	-	365,218,924	365,218,924
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax	-	-	-	-	-	(8,834,258)	(8,834,258)
Closing balance as at 31 December 2019	<u>972,495,202</u>	<u>322,087,270</u>	<u>-</u>	<u>120,327,052</u>	<u>-</u>	<u>664,135,693</u>	<u>2,079,045,217</u>

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2020

Separate financial statements (Baht)								
For the year ended 31 December 2020								
	Notes	Authorised, issued and fully paid-up			Retained earnings			Total
		share capital	Share premium	Treasury shares	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	29.5	-	-	(160,158,220)	-	-	-	(160,158,220)
Treasury shares reserve	29.5	-	-	-	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		<u>972,496,946</u>	<u>322,107,225</u>	<u>(160,158,220)</u>	<u>120,327,052</u>	<u>160,158,220</u>	<u>600,452,326</u>	<u>2,015,383,549</u>

RS Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash flows from operating activities					
Profit before income tax		665,546,724	461,846,487	229,716,331	447,150,408
Adjustments:					
Depreciation and amortisation	17, 18, 19, 20	534,112,273	576,679,841	133,369,736	113,131,361
(Reversal of) allowance for doubtful accounts		(272,140)	(5,276,265)	33,730	(3,321,929)
Allowance for obsolete inventories	13	2,127,781	5,996,985	-	-
Write-off TV Program work-in-process		183,234	-	-	-
(Reversal of) allowance for impairment - other current assets and other non-current assets		-	(388,600)	-	(388,600)
(Reversal of) allowance for impairment - investment in an associated company		-	(1,413)	-	-
(Reversal of) allowance for impairments - investments in subsidiaries	15	-	-	(40,892)	(1,837,149)
(Gain) from decrease in share capital of a subsidiary		-	-	-	(14,850,000)
Loss on write-off plant and equipment and intangible assets		2,473,832	821,198	1,339,622	146
(Gain) loss on disposal of plant and equipment and intangible assets	32	(845,520)	8,377	(893,449)	(329,429)
Employee benefit obligations	28	12,808,703	42,550,274	6,665,211	27,595,243
Provision for decommissioning costs		179,968	-	81,240	-
Dividend income	32	-	-	(16,747,990)	(45,419,936)
Interest income	32	(486,454)	(1,195,205)	(20,955,242)	(30,058,081)
Finance costs - interest expense	34	36,111,312	34,631,659	18,699,597	7,984,452
		1,251,939,713	1,115,673,338	351,267,894	499,656,486
Changes in working capital					
Trade and other accounts receivable *, **		(175,945,027)	30,575,739	30,028,137	31,289,595
Inventories		27,758,522	19,993,265	4,031,372	7,809,390
Value added tax		(14,112,684)	(9,166,683)	338,880	(6,300,757)
Other current assets		(4,090,584)	379,847	1,140,795	(1,249,252)
Other non-current assets		(9,772,901)	2,092,739	1,478,383	3,702,739
Trade and other accounts payable		23,216,832	(81,752,683)	(111,260,186)	(39,998,650)
Withholding tax payable		(549,835)	2,852,935	(1,030,575)	(1,249,163)
Other current liabilities		12,984,039	-	11,680,307	-
Payment for retirement for employee	28	(205,600)	(254,400)	-	(254,400)
Other non-current liabilities		5,000	5,211,222	(6,393,098)	5,635,224
Cash generated from operating activities					
before income tax paid		1,111,227,475	1,085,605,319	281,281,909	499,041,212
Withholding tax refunded		35,180,508	56,590,674	34,170,433	55,788,282
Income tax paid		(96,280,399)	(109,115,700)	(50,575,316)	(31,274,386)
Net cash generated from operating activities		1,050,127,584	1,033,080,293	264,877,026	523,555,108

RS Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash flows from investing activities					
Interest income received		486,508	1,194,856	22,024,860	32,284,352
Payments for short-term loans to related companies	37 d)	-	-	(471,000,000)	(335,000,000)
Proceeds from short-term loans to related companies	37 d)	-	-	443,000,000	210,000,000
Proceeds from decrease in share capital of a subsidiary		-	-	-	18,750,000
Cash received from dividend income		-	-	16,747,990	45,419,936
Payment to purchases of property, plant and equipment		(242,549,432)	(230,463,298)	(180,823,613)	(166,908,621)
Purchases of intangible assets		(561,035,614)	(386,135,436)	(25,622,012)	(25,242,911)
Proceeds from disposals of property, plant and equipment and intangible asset		6,095,701	177,570	7,100,316	1,902,441
Net cash used in investing activities		(797,002,837)	(615,226,308)	(188,572,459)	(218,794,803)
Cash flows from financing activities					
Interest expense paid		(19,433,420)	(21,927,333)	(9,698,349)	(8,363,810)
Payments on lease liability agreements		(116,037,027)	(11,799,687)	(60,234,349)	(11,799,687)
Payment of license for operation right in spectrum of digital television		-	(207,500,000)	-	-
Proceeds from short-term loans from financial institutions		4,310,000,000	1,150,000,000	2,930,000,000	920,000,000
Payments on short-term loans from financial institutions		(4,220,000,000)	(940,000,000)	(2,900,000,000)	(840,000,000)
Payments from long-term loans from financial institutions		(80,000,000)	(80,000,000)	-	-
Proceeds from short-term loans from related companies	37 e)	-	-	182,000,000	154,027,125
Payments on short-term loans from related companies	37 e)	-	-	(23,700,000)	(265,027,125)
Dividend paid	30	(95,824,270)	(387,872,558)	(95,824,270)	(387,872,558)
Purchase of treasury shares		(160,158,220)	-	(160,158,220)	-
Dividend paid to non-controlling		(2,009)	(34,440)	-	-
Proceeds from capital increase		21,699	70,049,169	21,699	70,049,169
Net cash used in financing activities		(381,433,247)	(429,084,849)	(137,593,489)	(368,986,886)
Net (decrease) in cash and cash equivalents		(128,308,500)	(11,230,864)	(61,288,922)	(64,226,581)
Cash and cash equivalents, opening balance		328,409,093	339,639,957	104,285,400	168,511,981
Cash and cash equivalents, closing balance		200,100,593	328,409,093	42,996,478	104,285,400

RS Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Non-cash transactions and additional information:				
Outstanding payables as at 31 December arising from purchases of property, plant and equipment during the year	51,739,198	47,915,677	17,401,442	39,265,320
Outstanding payables as at 31 December arising from purchases of intangible assets during the year	384,862,263	46,909,204	-	727,600
Outstanding payables as at 31 December arising from purchases of right-of-use assets during the period	450,056,972	-	225,315,482	-
Payable as at 31 December arising from purchase of equipment under finance lease agreement during the year	-	2,669,904	-	2,669,904
Dividend payable	-	24,525	-	-
Reversal from waived the installments license for operating right in spectrum of digital television	-	635,616,368	-	-
Reverse treasury shares reverse from decrease in share capital	-	43,873,484	-	43,873,484
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	-

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:

On 7 February 2020, the Company has registered to change the address to No. 27 RS Group Bldg., Tower A, Prasert-Manukitch Road, Sena Nikhom, Chatuchak, Bangkok, Thailand (formerly address : No. 419/1 Soi Ladphao 15, Ladphao Road, Jompon, Jatujak, 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 24 February 2021.

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 Basis of preparation

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

- **Financial reporting standards that have significant impacts to the Group**

- a) **TFRS 16, Leases**

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

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 4.

- **Financial reporting standards that has no significant impacts to the Group**

- a) **Financial instruments**

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both a) business model for holding the financial assets; and b) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

- b) Amendment to TAS 12, Income tax** clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.
- c) Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement)** - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.
- d) Amendment to TAS 23, Borrowing costs** clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.
- e) Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures)** clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. The Group must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.
- f) TFRIC 23, Uncertainty over income tax treatments** explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:
 - that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
 - that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
 - that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

On 1 January 2020, the management has adopted the financial reporting standards in its financial statements. There is no impact from the first-time adoption.

3.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by 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 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.
- c) **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.

3.3 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and have significant impacts to the Group

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

- a) **Amendment to TFRS 16, Leases** amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

The Group has chosen not to early apply the exemption for the current reporting period.

4 Impacts from initial application of the new and revised financial reporting standards

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases on the Group's consolidated financial statements and the Company's separate financial statements. The new accounting policies applied from 1 January 2020 were disclosed in Note 5.6, Note 5.11 and Note 5.12.

The Group have adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

	Notes	Consolidated financial statements		
		31 December 2019 Baht	TFRS 16 Baht	1 January 2020 Baht
Current assets				
Trade and other receivables, (net)	A	516,373,744	(339,400)	516,034,344
Non-current assets				
Property, plant and equipment (net)	B	503,783,449	(20,355,023)	483,428,426
Right-of-use assets (net)	A,B	-	29,218,097	29,218,097
Intangible assets (net)	B	702,789,651	(196,775)	702,592,876
Total assets affected		1,722,946,844	8,326,899	1,731,273,743
Current liabilities				
Current portion of lease liability agreements (net)	A	-	8,485,415	8,485,415
Current portion of liability under finance lease agreements (net)	A	6,729,866	(6,729,866)	-
Non-current liabilities				
Lease liability agreements (net)	A,B	-	9,151,915	9,151,915
Other non-current liabilities	B	2,580,565	(2,580,565)	-
Total liabilities affected		9,310,431	8,326,899	17,637,330

RS Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

	Notes	Separate financial statements		
		31 December 2019 Baht	TFRS 16 Baht	1 January 2020 Baht
Non-current assets				
Plant and equipment (net)	B	409,046,698	(20,355,023)	388,691,675
Right of use assets (net)	B	-	20,551,798	20,551,798
Intangible assets (net)	B	111,070,961	(196,775)	110,874,186
Total assets affected		520,117,659	-	520,117,659
Current liabilities				
Current portion of lease liability agreements (net)	B	-	6,729,866	6,729,866
Current portion of liability under finance lease agreements (net)	B	6,729,866	(6,729,866)	-
Non-current liabilities				
Lease liability agreements (net)	B	-	2,580,565	2,580,565
Liability under finance lease agreements (net)	B	2,580,565	(2,580,565)	-
Total liabilities affected		9,310,431	-	9,310,431

The adjustment and reclassification mention above are summarised below:

- A) Recognition of right of use assets and lease liabilities under TFRS 16 (Note 4.2)
- B) Reclassification of leased assets and finance lease liabilities (Note 4.2)

4.1 Financial instruments

On 1 January 2020 (the date of initial application of TFRS9), the management has assessed which business models apply to the financial assets and financial liabilities, and has classified its financial instruments into the appropriate TFRS 9 classification of the Group's financial assets and financial liabilities are measured at amortised cost in note 12

Impairment of financial assets

The Group have following financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- trade and other receivables
- Short-term loans to related companies

Trade receivables and contract assets

The Group applies the simplified approach in measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables 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 Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the historical payment profiles of sales, the corresponding historical credit losses experienced as well as forward-looking information that may affect the ability of the customers to settle the receivables.

As of 1 January 2020, the Group has no significant impact to adjust loss allowance for trade receivable and contract assets.

During the year 2020, the loss allowance of the Group increased by Baht 89,230 and Baht 87,708 in consolidated and separate financial statement, respectively for trade receivables; and loss allowance of the Group increased by Baht 17,987 in consolidated and separate financial statement for contract assets.

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 and contract assets. As of 31 December 2020, the expected credit loss of Baht 5,748,902 for trade receivables and Baht 841,185 for contract assets were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

Short-term loans to related companies

The Company provides a loan to Subsidiary Company amounting of Baht 1,034,700,000 which contractually repayable on demand with interest. The interest of intercompany loan is calculated using average interest rates (float rates) of promissory notes from 3 financial institutions plus margin according to the contract. The Company classifies the intercompany loan to be measured at amortised cost, the Company initially recognises a financial asset at its fair value that are directly attributable to the acquisition of the financial asset. The Company measures expected credit losses over the remaining life of a financial instrument in a way that reflects:

1. An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
2. The time value of money; and
3. Reasonable and supportable information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date.

The expected credit losses over the remaining life of a financial instrument are calculated using cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate (or credit-adjusted effective interest" rate should be used for expected credit losses of purchased or originated credit-impaired financial assets). The effective interest rate of the loans is equal to the average float rates at the period ended. The Company considers the reasonable and supportable information to forecast cash flows and assesses contractual terms of the financial asset over the remaining life of a financial instrument. The effect from expected credit losses assessment is immaterial.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases for leases of buildings. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 4.00%.

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied in which the incremental borrowing rate for the whole lease term is applied. Other right-of use assets were measured at the amount equal to the lease liability in which the incremental borrowing rate for the whole lease terms is applied, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

	Consolidated financial information	Separate financial information
	Baht	Baht
Operating lease commitments disclosed as at 31 December 2019	30,492,856	2,530,621
Add - finance lease liabilities recognised as at 31 December 2019	9,310,431	9,310,431
(Less) - discounted using the lessee's incremental borrowing rate of at the date of initial application	(716,901)	-
(Less) - short-term leases recognised on a straight-line basis as expense	(3,077,971)	(2,530,621)
(Less) - contracts reassessed as service agreements	(18,371,085)	-
Lease liability recognised as at 1 January 2020	17,637,330	9,310,431
Current lease liabilities	8,485,415	6,729,866
Non-current lease liabilities	9,151,915	2,580,565
Total	17,637,330	9,310,431

The recognised right-of-use assets relate to the following types of assets:

	Consolidated financial information		Separate financial information	
	31 December 2020 Baht	1 January 2020 Baht	31 December 2020 Baht	1 January 2020 Baht
Office building and warehouses	459,996,593	8,666,299	235,687,932	-
Equipment and Software	9,002,592	3,426,678	-	3,426,678
Vehicles	2,487,762	17,125,120	2,141,136	17,125,120
Total right-of-use assets (Note 18)	471,486,947	29,218,097	237,829,068	20,551,798

Practical expedients applied

In applying TFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases

5 Accounting policies

5.1 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) 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 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 equals or exceeds its interest in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

d) Changes in ownership interests

Where the Group has control in subsidiaries, 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 is reduced but significant influence 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 is recognise in profit or loss.

When the Group losses 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 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.

5.2 Foreign currency translation

a) Functional and presentation currency

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

b) Transactions and balances

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

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

5.3 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.

5.4 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 5.6 (d)

5.5 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.

Finished goods of the Group are comprised of the internal product and external product. Internal product is hired production product under the Group's trademark from original equipment manufacturer. External product is trading product from external supplier.

b) Work in process

TV shows, concerts and music products, 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 income statement when programmes are broadcasted, music products have been sold and concerts and other contracted activities have taken place.

5.6 Financial asset

For the year ended 31 December 2020

a) Classification

From 1 January 2020, 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

From 1 January 2020, 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 11.2

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.

5.7 Plant and equipment

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

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

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.

5.8 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.

5.9 Intangible assets

a) Production cost of television drama services and showbiz

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.

5.10 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.

5.11 Leases - where a Group company is the lessee

For the year ended 31 December 2020

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.

[For the year ended 31 December 2019](#)

Leases - where the Group is the lessee

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

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

5.12 Financial liabilities

[For the year ended 31 December 2020](#)

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.

For the year ended 31 December 2019

Borrowings

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

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

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

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

5.13 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.

5.14 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.

5.15 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.

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 the COVID-19 situation as a past event that has resulted in a present obligation in assessing the Group's provisions and contingent liabilities.

5.16 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.

5.17 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.

5.18 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.

5.19 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.

5.20 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.

6 Financial risk management

6.1 Financial risk factors

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price 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 Treasury team globally.

6.1.1 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 2020 and 2019, 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, long-term loans to related parties, short-term borrowings, long-term borrowings and debentures. 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 2020 and 2019 are disclosed in Note 12

6.1.2 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.

6.1.3 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 200,107,399 (2019: Baht 328,409,093) 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	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Floating rate				
Expiring within one year				
- Bank overdraft	100.00	85.00	40.00	40.00
- Bank loans	915.00	1,005.00	405.00	435.00
	1,015.00	1,090.00	445.00	475.00

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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						
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value (Asset)/ Liabilities Baht
As at 31 December 2020						
short-term loans from financial institutions	-	540,672,931	-	-	540,672,931	540,000,000
Trade payables and other payable	448,255,741	312,784,115	-	-	761,039,856	761,039,856
Accrued expense	61,013,835	189,085,292	4,875,069	-	254,974,196	254,974,196
Lease liabilities	-	99,486,387	385,262,289	11,615,024	496,363,700	450,056,972
Long-term loans from financial institutions	-	86,064,453	160,019,365	-	246,083,818	236,085,000
Retention payable	-	23,429,564	-	-	23,429,564	23,429,564
Total	509,269,576	1,251,522,742	550,156,723	11,615,024	2,322,564,065	2,265,585,588
Consolidated financial statements						
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value (Asset)/ Liabilities Baht
As at 31 December 2019						
Bank overdrafts and short-term loans from financial institutions	-	451,349,842	-	-	451,349,842	450,000,000
Trade payables	98,701,479	215,566,271	-	-	314,267,750	314,267,750
Accrued expense	76,897,661	258,197,154	1,796,603	6,463	336,897,881	336,897,881
Lease liabilities	-	7,019,521.00	2,677,992	-	9,697,513	9,310,431
Long-term loans from financial institutions	-	90,528,436	248,391,238	-	338,919,674	316,085,000
Retention payable	-	-	11,423,096	-	11,423,096	11,423,096
Total	175,599,140	1,022,661,224	264,288,929	6,463	1,462,555,756	1,437,984,158
Separate financial statements						
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value (Asset)/ Liabilities Baht
As at 31 December 2020						
Bank overdrafts and short-term loans from financial institutions	-	350,506,780	-	-	350,506,780	350,000,000
Trade payables	36,336,327	19,106,478	-	-	55,442,805	55,442,805
Accrued expense	12,136,687	41,747,994	4,849,836	-	58,734,517	58,734,517
Lease liabilities	-	50,410,584	193,909,128	7,260,662	251,580,374	227,896,047
Retention payable	-	10,702,736	-	-	10,702,736	10,702,736
Total	48,473,014	472,474,572	198,758,964	-	726,967,212	702,776,105
Separate financial statements						
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value (Asset)/ Liabilities Baht
As at 31 December 2019						
Bank overdrafts and short-term loans from financial institutions	-	320,702,192	-	-	320,702,192	320,000,000
Trade payables	24,289,824	83,577,528	-	-	107,867,352	107,867,352
Accrued expense	51,503,777	81,188,273	1,488,992	6,463	134,187,505	134,187,505
Lease liabilities	-	7,019,521	2,677,992	-	9,697,513	9,310,431
Other financial liabilities	-	-	6,398,098	-	6,398,098	6,398,098
Total	75,793,601	492,487,514	10,565,082	6,463	578,852,660	577,763,386

7 Financial risk factors

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.

8 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 12 to the financial statements.

9 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) 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.

(c) 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.

(d) 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.

(e) 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.

(f) 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.

(g) 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.

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10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash on hand	3,698,096	2,421,369	1,150,642	727,466
Cash at banks	194,679,167	322,783,211	40,882,944	102,597,206
- savings accounts	1,710,008	3,191,354	962,892	960,728
- current accounts	13,322	13,159	-	-
- 3-month fixed deposits accounts				
	200,100,593	328,409,093	42,996,478	104,285,400

As at 31 December 2020, savings accounts carry interest at the rates of 0.05% to 0.125% per annum (2019 : 0.10% to 0.50% per annum) and as at 31 December 2020, fixed deposits accounts (3-month) carry interest at the rates of 0.375% per annum (2019 : 0.75% per annum).

11 Trade and other accounts receivable (net)

	Note	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts receivable					
- others		396,715,025	415,863,868	31,348,709	152,662,088
- related companies	37 b)	4,766	-	461,056,929	343,405,207
Other accounts receivable - others		5,863,617	881,082	24,917	774,902
Accrued income		244,063,870	37,086,761	32,607,638	22,172,821
Contract assets	11.1	8,706,433	29,040,118	8,706,433	29,040,118
Advance payments - employees		11,260,861	10,120,619	252,000	373,838
Accrued interest income		2,490,179	2,490,233	5,887,429	6,957,047
Prepaid expenses - others		51,406,776	31,628,222	13,404,285	11,108,291
		720,511,527	527,110,903	553,288,340	566,494,312
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts)					
- Trade accounts receivable		(5,748,902)	(7,168,543)	(995,376)	(1,293,140)
- Other accounts receivable		(22,609)	-	-	-
- Contract assets		(841,185)	(1,078,732)	(841,185)	(1,078,732)
- Accrued interest income		(2,489,884)	(2,489,884)	(2,489,884)	(2,489,884)
		(9,102,580)	(10,737,159)	(4,326,445)	(4,861,756)
		711,408,947	516,373,744	548,961,895	561,632,556

Trade accounts receivable classified by aging are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Others				
Current	230,021,098	249,961,575	6,168,823	84,714,654
Overdue				
Less than 3 months	148,830,069	151,522,542	16,862,460	66,615,341
3 - 6 months	10,623,434	7,117,968	7,354,358	1,250
6 - 12 months	1,564,360	-	39,008	-
Over 12 months	5,676,064	7,261,783	924,060	1,330,843
	396,715,025	415,863,868	31,348,709	152,662,088
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts)	(5,748,902)	(7,168,543)	(995,376)	(1,293,140)
	390,966,123	408,695,325	30,353,333	151,368,948

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Trade accounts receivable classified by aging are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Related companies				
Current	4,766	-	198,781,184	121,615,568
Overdue				
Less than 3 months	-	-	75,896,636	66,564,603
3 - 6 months	-	-	111,979,104	59,323,224
6 - 12 months	-	-	74,400,005	95,901,632
Over 12 months	-	-	-	-
	4,766	-	461,056,929	343,405,027

The Group's credit term for trade accounts receivable-not yet due is 7 to 90 days.

11.1 Contract assets

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

	Consolidated Financial statements		Separate financial statements	
	Contract Assets		Contract Assets	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance	57,500,942	-	57,500,942	-
Amounts restated through opening retained earnings	-	12,184,289	-	12,184,289
Decrease due to balance transferred to trade receivables	21,000,000	72,041,257	21,000,000	72,041,257
New Contract assets	(59,794,509)	(26,724,604)	(59,794,509)	(26,724,604)
Total contract assets	18,706,433	57,500,942	18,706,433	57,500,942

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Contract assets				
- current	8,706,433	23,040,118	8,706,433	23,040,118
- non-current	10,000,000	28,460,824	10,000,000	28,460,824
<u>Less</u> Loss allowance (2019: Allowance for doubtful accounts)	-	-	-	-
Total contract assets	18,706,433	57,500,942	18,706,433	57,500,942

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11.2 Impairments of trade receivables and contract assets

The loss allowance for trade receivables and contract assets was determined as follows:

Consolidated financial statements						
	Not yet due	Up to	3 - 6 months	6 - 12	More than	Total
As of 1 January 2020	Baht	3 months	Baht	months	12 months	Baht
		Baht	Baht	Baht	Baht	Baht
Gross carrying amount						
- trade receivables	249,961,575	151,522,542	7,117,968	-	7,261,783	415,863,868
- Accrued income	26,453,545	5,092,994	4,378,546	80,000	1,081,676	37,086,761
- contract assets	-	44,168,459	13,332,483	-	-	57,500,942
Loss allowance	-	(15,534)	-	-	(8,231,741)	(8,247,275)

Consolidated financial statements						
	Not yet due	Up to	3 - 6 months	6 - 12	More than	Total
As of 31 December 2020	Baht	3 months	Baht	months	12 months	Baht
		Baht	Baht	Baht	Baht	Baht
Gross carrying amount						
- trade receivables	230,021,098	148,830,069	10,623,434	1,564,360	5,676,064	396,715,025
- 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)

Separate financial statements						
	Not yet due	Up to	3 - 6 months	6 - 12	More than	Total
As of 1 January 2020	Baht	3 months	Baht	months	12 months	Baht
		Baht	Baht	Baht	Baht	Baht
Gross carrying amount						
- trade receivables	206,330,222	133,179,944	59,324,474	95,901,632	1,330,843	496,067,115
- Accrued income	16,410,860	1,697,717	2,912,046	80,000	1,063,198	22,172,821
- contract assets	-	44,168,459	13,332,483	-	-	57,500,942
Loss allowance	-	(15,534)	-	-	(2,356,338)	(2,371,872)

Separate financial statements						
	Not yet due	Up to	3 - 6 months	6 - 12	More than	Total
As of 31 December 2020	Baht	3 months	Baht	months	12 months	Baht
		Baht	Baht	Baht	Baht	Baht
Gross carrying amount						
- trade receivables	204,950,007	92,759,096	119,333,462	74,439,013	924,060	492,405,638
- 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)

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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	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
31 December - calculated under TAS 101				
Amounts restated through opening retained earnings	(7,168,543)	(42,383,287)	(1,078,732)	(5,461,398)
	-	-	-	-
Opening loss allowance as at 1 January 2020				
- calculated under TFRS 9 (2019: TAS 101)	(7,168,543)	(42,383,287)	(1,078,732)	(5,461,398)
Increase in loss allowance recognised in profit or loss				
during the year	(89,230)	-	(17,987)	(15,534)
Receivable written off during the year as uncollectible	300,000	34,660,460	240,000	-
Unused amount reversed	1,208,871	554,284	15,534	4,398,200
As of 31 December - calculated under TFRS 9 (2019: TAS 101)	(5,748,902)	(7,168,543)	(841,185)	(1,078,732)
	Separate financial statements			
	Trade receivables		Contract assets	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
31 December - calculated under TAS 101				
Amounts restated through opening retained earnings	(1,293,140)	(35,363,436)	(1,078,732)	(3,879,474)
	-	-	-	-
Opening loss allowance as at 1 January 2020				
- calculated under TFRS 9 (2019: TAS 101)	(1,293,140)	(35,363,436)	(1,078,732)	(3,879,474)
Increase in loss allowance recognised in profit or loss				
during the year	(87,708)	-	(17,987)	(15,534)
Receivable written off during the year as uncollectible	300,000	34,017,002	240,000	-
Unused amount reversed	85,472	53,294	15,534	2,816,276
As of 31 December - calculated under TFRS 9 (2019: TAS 101)	(995,376)	(1,293,140)	(841,185)	(1,078,732)

12 Financial assets

As at 31 December 2020, classification of the Group's financial assets and financial liabilities are measured at amortised cost (2019 : classification of the Group's financial assets and financial liabilities are measured at amortised cost).

Cash and cash equivalents, trade and other accounts receivable, short-term loans from financial institutions, short-term loan to related companies and other current assets are characterised as current assets. Carrying values of these financial assets approximated fair values. For restricted deposits with financial institutions and 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

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Outstanding balance of financial assets and financial liabilities and their interest rates as at 31 December 2020 and 2019 comprise as follows:

Consolidated financial statements (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	194,679,167	-	-	-	5,408,104	200,087,271	0.05 - 0.125	-
Trade and other accounts receivable (net)								
- Trade accounts receivable	-	-	-	-	390,970,889	390,970,889	-	-
- Other accounts receivable	-	-	-	-	5,841,008	5,841,008	-	-
- Advance payments - employees	-	-	-	-	11,260,861	11,260,861	-	-
- Accrued interest income	-	-	-	-	295	295	-	-
Other current assets								
- Deposit	-	-	-	-	2,310,750	2,310,750	-	-
- Retention	-	-	-	-	4,700,000	4,700,000	-	-
Restricted deposits with financial institutions	-	13,322	-	-	-	13,322	0.375	-
Other non-current assets								
- Deposit	-	-	-	-	15,510,948	15,510,948	-	-
- Retention	-	-	-	-	7,357,550	7,357,550	-	-
Total financial assets	194,679,167	13,322	-	-	443,360,405	638,052,894	-	-
Financial liabilities								
Trade and other accounts payable	-	-	-	-	1,016,085,502	1,016,085,502	-	-
Retention payable	-	-	-	-	23,429,564	23,429,564	-	-
Lease liabilities (net)	-	-	83,311,020	366,745,952	-	450,056,972	-	3.25 - 4.00
Short-term loans from financial institutions	540,000,000	-	-	-	-	540,000,000	1.90 - 2.00	-
Other current liabilities								
- Deposit	-	-	-	-	977,571	977,571	-	-
Long-term borrowings from financial institution	80,000,000	156,085,000	-	-	-	236,085,000	3.25	-
Other non-current liabilities								
- Deposit	-	-	-	-	20,000	20,000	-	-
Total financial liabilities	620,000,000	156,085,000	83,311,020	366,745,952	1,040,512,637	2,266,654,609	-	-
Consolidated financial statements (Baht)								
As at 31 December 2019								
	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	322,783,211	-	-	-	5,612,723	328,395,934	0.10 - 0.50	-
Trade and other accounts receivable (net)								
- Trade accounts receivable	-	-	-	-	408,695,325	408,695,325	-	-
- Other accounts receivable	-	-	-	-	881,082	881,082	-	-
- Advance payments - employees	-	-	-	-	10,120,619	10,120,619	-	-
- Accrued interest income	-	-	-	-	349	349	-	-
Other current assets								
- Deposit	-	-	-	-	4,186,200	4,186,200	-	-
- Retention	-	-	-	-	-	-	-	-
Restricted deposits with financial institutions	-	13,159	-	-	-	13,159	0.75	-
Other non-current assets								
- Deposit	-	-	-	-	507,700	507,700	-	-
- Retention	-	-	-	-	12,587,897	12,587,897	-	-
Total financial assets	322,783,211	13,159	-	-	442,591,895	765,388,265	-	-
Financial liabilities								
Trade and other accounts payable	-	-	-	-	651,166,696	651,166,696	-	-
Retention payable	-	-	-	-	11,423,096	11,423,096	-	-
Lease liabilities (net)	-	-	6,729,866	2,580,565	-	9,310,431	-	4.25 - 6.25
Short-term loans from financial institutions	450,000,000	-	-	-	-	450,000,000	2.50 - 2.70	-
Long-term borrowings from financial institution	80,000,000	236,085,000	-	-	-	316,085,000	4.00	-
Total financial liabilities	530,000,000	236,085,000	6,729,866	2,580,565	662,589,792	1,437,985,223	-	-

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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	40,882,944	-	-	-	2,113,534	42,996,478	0.05 - 0.125	-
Trade and other accounts receivable (net)	-	-	-	-	491,419,262	491,419,262	-	-
- Trade accounts receivable	-	-	-	-	24,917	24,917	-	-
- Other accounts receivable	-	-	-	-	252,000	252,000	-	-
- Advance payments - employees	-	-	-	-	3,397,545	3,397,545	-	-
- Accrued interest income	-	-	-	-	-	-	-	-
Short-term loan to related companies	1,034,700,000	-	-	-	-	1,034,700,000	1.99	-
Other current assets	-	-	-	-	-	-	-	-
- Deposit	-	-	-	-	7,062,324	7,062,324	-	-
- Retention	-	-	-	-	2,734,192	2,734,192	-	-
Total financial assets	1,075,582,944	-	-	-	507,003,774	1,582,586,718		
Financial liabilities								
Trade and other accounts payable	-	-	-	-	114,177,323	114,177,323	-	-
Retention payable	-	-	-	-	10,702,736	10,702,736	-	-
Lease liabilities (net)	-	-	42,197,064	185,698,983	-	227,896,047	-	3.25 - 4.00
Short-term loans from financial institutions	350,000,000	-	-	-	-	350,000,000	1.90 - 2.00	-
Short-term loan from related companies	255,327,125	-	-	-	-	255,327,125	1.99	-
Other current liabilities	-	-	-	-	-	-	-	-
- Deposit	-	-	-	-	977,571	977,571	-	-
Other non-current liabilities	-	-	-	-	-	-	-	-
- Deposit	-	-	-	-	20,000	20,000	-	-
Total financial liabilities	605,327,125	-	42,197,064	185,698,983	125,877,630	959,100,802		

Separated financial statements								
As at 31 December 2019								
	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	102,597,206	-	-	-	1,688,194	104,285,400	0.10 - 0.50	-
Trade and other accounts receivable (net)	-	-	-	-	494,773,975	494,773,975	-	-
- Trade accounts receivable	-	-	-	-	774,902	774,902	-	-
- Other accounts receivable	-	-	-	-	373,838	373,838	-	-
- Advance payments - employees	-	-	-	-	4,467,163	4,467,163	-	-
- Accrued interest income	-	-	-	-	-	-	-	-
Short-term loan to related companies	1,006,700,000	-	-	-	-	1,006,700,000	2.65	-
Other current assets	-	-	-	-	-	-	-	-
- Deposit	-	-	-	-	1,465,200	1,465,200	-	-
Other non-current assets	-	-	-	-	-	-	-	-
- Deposit	-	-	-	-	507,700	507,700	-	-
- Retention	-	-	-	-	10,767,199	10,767,199	-	-
Total financial assets	1,109,297,206	-	-	-	514,818,171	1,624,115,377		
Financial liabilities								
Trade and other accounts payable	-	-	-	-	242,054,856	242,054,856	-	-
Retention payable	-	-	-	-	6,398,098	6,398,098	-	-
Lease liabilities (net)	-	-	6,729,866	2,580,565	-	9,310,431	-	4.25 - 6.25
Short-term loans from financial institutions	320,000,000	-	-	-	-	320,000,000	2.50 - 2.70	-
Short-term loan from related companies	97,027,125	-	-	-	-	97,027,125	1.38	-
Total financial liabilities	417,027,125	-	6,729,866	2,580,565	248,452,954	674,790,510		

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	
	Impact to net profit		Impact to net profit	
	Year 2020	Year 2019	Year 2020	Year 2019
	Baht	Baht	Baht	Baht
Interest rate – increase 0.5 % (2019: 0.8%)	3,880,425	3,880,425	2,800,000	2,560,000
Interest rate – decrease 0.5% (2019: 0.8%)	(3,880,425)	(3,880,425)	(2,800,000)	(2,560,000)

12.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost (2019: amortised cost / fair value under TAS105)

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 2020			31 December 2019		
	Current Thousand Baht	Non-current Thousand Baht	Total Thousand Baht	Current Thousand Baht	Non-current Thousand Baht	Total Thousand Baht
Loans to related parties	1,055,055	-	1,055,055	1,027,055	-	1,027,055
Less: Loss allowance for debt investments at amortised cost (2019: loss on impairment)	(20,355)	-	(20,355)	(20,355)	-	(20,355)
Total	1,034,700	-	1,034,700	1,006,700	-	1,006,700

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 11 and 37 d)

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13 Inventories (net)

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Finished goods:				
Music and CDs,VCDs, DVDs and others	599,592	599,592	599,592	599,592
Consumer products	233,918,578	282,640,829	-	-
Souvenirs	330,106	330,106	330,106	330,106
Satellite television receivers	119,497	119,597	-	-
Total finished goods	234,967,773	283,690,124	929,698	929,698
Work in process:				
TV Program	189,875	2,687,300	-	-
Concert and others	100,000	4,307,849	-	4,011,872
Music and support	-	19,500	-	19,500
Total work in process	289,875	7,014,649	-	4,031,372
Packaging and Brochure	1,766,941	1,639,715	-	-
Total	237,024,589	292,344,488	929,698	4,961,070
<u>Less</u> Allowance for obsolete inventories	<u>(8,298,708)</u>	<u>(33,549,070)</u>	<u>(813,918)</u>	<u>(813,918)</u>
Inventories (net)	228,725,881	258,795,418	115,780	4,147,152

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 976,118,689 and Baht 48,003,998 (2019 : Baht 896,430,430 and Baht 120,605,990), respectively.

The Group recorded allowance for obsolete inventory in the consolidated financial statement amounting of Baht 2,127,781 and write-off work in process TV program amounting to Baht 183,234 and reversed the allowance for obsolete inventory in the consolidated financial statement due to inventory destruction amounting of Baht 27,378,143 (2019: the allowance for obsolete inventory in the consolidated financial statement is Baht 5,996,985). The amount recorded and reversed has been included in cost of sales in the statement of comprehensive income.

14 Other current assets (net)

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Refundable deposits	2,310,750	4,186,200	-	1,465,200
Guarantees	4,700,000	-	-	-
Others	1,673,678	407,644	677,049	352,644
	8,684,428	4,593,844	677,049	1,817,844

15 Investments in subsidiaries (net)

Investments in subsidiaries which recorded by the cost method as at 31 December 2020 and 2019, consisted of:

Company name	Nature of business	Registered in	Percentage of shareholding	
			2020	2019
			%	%
Operating subsidiaries				
R.S. Television Co., Ltd.	Digital TV business	Thailand	100	100
RS Mall Co., Ltd. (Formerly: Lifestar Co., Ltd.)	Multi-platform Commerce	Thailand	100	100
Thai Copyright Collection Co., Ltd. Lifestar Co., Ltd. (Formerly: RS Mall Co., Ltd.)	Copyrights collection	Thailand	100	100
Coolism Co., Ltd.	Multi-platform Commerce	Thailand	100	100
Yaak Co., Ltd.	Radio business	Thailand	100	100
RSX Co., Ltd. (Formerly: Alliance Co., Ltd.)	TV program	Thailand	100	100
	Event organizer	Thailand	100	100
Non-operating subsidiaries				
RS Travel Co., Ltd. (Formerly: Goodlife Group Co., Ltd.)	Event organizer	Thailand	100	100
R.S. Sportmaster Co., Ltd.	Production TV Program and event	Thailand	76	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)	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 Baht	2020 Baht	2019 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. (Formerly: Lifestar Co., Ltd.)	200,000,000	200,000,000	199,999,300	199,999,300	-	-	199,999,300	199,999,300	-	42,999,850
Thai Copyright Collection Co., Ltd.	5,000,000	5,000,000	4,999,400	4,999,400	-	-	4,999,400	4,999,400	16,747,990	1,749,790
Lifestar Co., Ltd. (Formerly: RS Mall 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	-	499,986
Yaak Co., Ltd.	2,500,000	2,500,000	2,499,300	2,499,300	-	-	2,499,300	2,499,300	-	-
RSX Co., Ltd.(Formerly: R Alliance Co., Ltd.)	80,000,000	80,000,000	80,000,000	80,000,000	(76,233,906)	(76,199,819)	3,766,094	3,800,181	-	-
Total	594,750,000	594,750,000	589,859,486	589,859,486	(76,233,906)	(76,199,819)	513,625,580	513,659,667	16,747,990	45,249,626
Non-operating subsidiaries										
RS Travel Co., Ltd. (Formaly: Goodlife Group Co., Ltd.)	37,000,000	37,000,000	32,775,000	32,775,000	(24,822,108)	(24,898,855)	7,952,892	7,876,145	-	-
R.S. Sportmaster Co., Ltd.*	4,500,000	4,500,000	2,667,595	2,667,595	(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	(156,905,928)	(156,904,160)	10,906,572	10,908,340	-	170,310
S-One Sport Co., Ltd. **	15,000,000	15,000,000	33,800,530	33,800,530	(33,800,530)	(33,800,530)	-	-	-	-
Total	65,875,000	65,875,000	237,055,625	237,055,625	(218,196,161)	(218,271,140)	18,859,464	18,784,485	-	170,310
Grand Total	660,625,000	660,625,000	826,915,111	826,915,111	(294,430,067)	(294,470,959)	532,485,044	532,444,152	16,747,990	45,419,936

* Dissolute

** Under the bankruptcy process and the absolute receivership.

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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.

- The non-controlling interest of the RS International Broadcasting are subsidiaries company and not material, so the Company therefore did not disclose the financial information of these subsidiaries.
- S-One Sport Co., Ltd. is subsidiary which was under the bankruptcy process and the absolute receivership. Therefore, the financial information of it was excluded from the consolidated financial information.
- At the extraordinary Meeting of Coolism company limited., a subsidiary, on 27 June 2019, the shareholders approved to decrease share capital in the amount of Baht 18,750,000 from Baht 25,000,000 to Baht 6,250,000 by reduce 187,500 ordinary shares amount of Baht 100 per shares. The subsidiary company registered the reduce of capital with the Ministry of commerce on 30 August 2019, which caused the investment in the subsidiary to reduce by Baht 3,900,000.
- At the extraordinary Meeting of RS Sport master company Limited 12 September 2019, the shareholders approved to dissolution since 16 September 2019. The Company request for the dissolution with the Ministry of Commers on 16 September 2019.

16 Investment in an associated company (net)

Name	Nature of business	Consolidated financial statements			
		Baht		Percentage	
		Issued and paid-up share capital 2020 Baht	2019 Baht	Percentage of shareholding 2020 Baht	2019 Baht
Idea Power Co., Ltd.	Organizer	20,000,000	20,000,000	25.00	25.00
		Consolidated financial statements			
		Investments at equity method		Investments at cost method	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Investment in Idea Power Co., Ltd.		3,992,546	3,992,546	6,303,621	6,303,621
<u>Less</u> Allowance for impairment		-	-	(2,311,075)	(2,311,075)
Total investment in an associated company (net)		3,992,546	3,992,546	3,992,546	3,992,546

The net movement of investment in associated company for the years ended 31 December 2020 and 2019 comprise:

	Consolidated financial statements	
	2020 Baht	2019 Baht
Opening net book amount	3,992,546	3,991,133
Share of loss for the year	-	3,213
Over (under) share of loss for the prior year	-	(1,800)
Closing net book amount	3,992,546	3,992,546

Proportionate net worth for the year ended 31 December 2020 and 2019, was calculated on the financial statements which was prepares by management of subsidiary and had not been audited by auditor. However, the Company's management believes that the value of proportionate net worth would not significantly differ if the financial statement is audited or reviewed by auditors.

Summary of financial information of associated company

Financial information of Idea Power Co., Ltd. which accounted using the equity method is as follow.

Summary statement of financial position

	Idea Power Co., Ltd.	
	As at 31 December	
	2020	2019
	Baht	Baht
Current assets	15,825,259	15,819,800
Non-current assets	11,582	162,595
	15,836,841	15,982,395
Current liabilities	10,532	12,213
Non-current liabilities	-	-
	10,532	12,213
Net assets	15,826,309	15,970,182

Summary statement of comprehensive income

	Idea Power Co., Ltd.	
	For the years ended	
	31 December	
	2020	2019
	Baht	Baht
Revenue	21,255	36,269
Expense	(13,595)	(20,203)
Profit before income tax	7,660	16,066
Income tax expense	(1,532)	(3,213)
Net profit	6,128	12,853
Equity method based on percentage of shareholding	1,532	3,213

17 Buildings and equipment (net)

	Consolidated financial statements (Baht)					Total
	Buildings and building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	
As at 1 January 2019						
Cost	2,245,206	407,420,284	488,556,653	66,151,762	11,630,500	976,004,405
<u>Less</u> Accumulated depreciation	(2,245,204)	(231,911,429)	(382,119,595)	(28,192,879)	-	(644,469,107)
Net book amount	2	175,508,855	106,437,058	37,958,883	11,630,500	331,535,298
For the year ended 31 December 2019						
Opening net book amount	2	175,508,855	106,437,058	37,958,883	11,630,500	331,535,298
Additions	-	4,719,407	6,430,264	1,790,748	260,668,547	273,608,966
Transfer from construction in progress and equipment under installation	-	1,399,900	45,849,400	-	(47,249,300)	-
Disposals - cost	-	(5,300)	(4,949,856)	-	-	(4,955,156)
- accumulated depreciation	-	5,299	4,763,910	-	-	4,769,209
Depreciation charge (Note 33)	-	(35,873,520)	(56,565,207)	(8,736,141)	-	(101,174,868)
Closing net book amount	2	145,754,641	101,965,569	31,013,490	225,049,747	503,783,449
As at 31 December 2019						
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

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	Consolidated financial statements (Baht)					
	Buildings and 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 18)	-	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

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	Separate financial statements (Baht)					Total
	Buildings and building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	
As at 1 January 2019						
Cost	2,245,206	349,219,272	406,888,287	60,461,421	11,630,500	830,444,686
<u>Less</u> Accumulated depreciation	(2,245,204)	(172,838,817)	(338,759,106)	(23,750,562)	-	(537,593,689)
Net book amount	2	176,380,455	68,129,181	36,710,859	11,630,500	292,850,997
For the year ended 31 December 2019						
Opening net book amount	2	176,380,455	68,129,181	36,710,859	11,630,500	292,850,997
Additions	-	4,642,406	2,707,723	80,000	194,730,721	202,160,850
Transfer from construction in progress and equipment under installation	-	324,000	18,692,000	-	(19,016,000)	-
Disposals - cost	-	(5,300)	(10,368,025)	-	-	(10,373,325)
- accumulated depreciation	-	5,299	8,804,384	-	-	8,809,683
Depreciation charge (Note 33)	-	(35,723,696)	(40,845,520)	(7,832,291)	-	(84,401,507)
Closing net book amount	2	145,623,164	47,119,743	28,958,568	187,345,221	409,046,698
As at 31 December 2019						
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

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	Separate financial statements (Baht)					Total
	Buildings and 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 18)	-	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 2020, 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 204,613,873 and Baht 193,080,726 (2019 : Baht 310,017,371 and Baht 301,560,119), respectively.

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Leased assets included above, where the Group is the lessee under the financial lease agreement comprise vehicles as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of the assets under the financial lease agreements	-	57,117,010	-	57,117,010
<u>Less</u> Accumulated depreciation	-	(27,753,052)	-	(27,753,052)
Net book amount	-	29,363,958	-	29,363,958

18 Right-of-use assets (net)

	Consolidated financial statements				
	Buildings Baht	Vehicles Baht	Equipment Baht	Software Baht	Total Baht
Balance as at 1 January 2020 (Note 4.2)	8,666,299	17,125,120	3,229,903	196,775	29,218,097
Additions	526,503,489	436,964	8,500,000	1,171,920	536,612,373
Transfer to building and equipment (Note 17)	-	(11,963,865)	(2,611,635)	-	(14,575,500)
Transfer to intangible asset (Note 20)	-	-	-	(159,108)	(159,108)
Depreciation	(75,173,195)	(3,110,457)	(896,956)	-	(79,180,608)
Amortisation	-	-	-	(428,307)	(428,307)
Balance as at 31 December 2020	459,996,593	2,487,762	8,221,312	781,280	471,486,947

	Separate financial statements				
	Buildings Baht	Vehicles Baht	Equipment Baht	Software Baht	Total Baht
Balance as at 1 January 2020 (Note 4.2)	-	17,125,120	3,229,903	196,775	20,551,798
Additions	272,574,441	-	-	-	272,574,441
Transfer to building and equipment (Note 17)	-	(11,963,865)	(2,611,635)	-	(14,575,500)
Transfer to intangible asset (Note 20)	-	-	-	(159,108)	(159,108)
Depreciation	(36,886,509)	(3,020,119)	(618,268)	-	(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 2020 are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
Expense relating to short-term leases	3,880,376	2,516,321
Expense relating to leases of low-value assets	564,912	288,000
Total cash outflow for leases	111,591,739	57,430,028

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 2020 and 2019 are summarised below.

	Consolidated financial statements	
	2020 Baht	2019 Baht
Cost	1,394,710,008	1,394,710,008
<u>Less</u> Accumulated amortisation	(795,989,414)	(723,961,393)
	598,720,594	670,748,615

The amortization expense in the consolidated financial statement amount to Baht 72,028,021 was recognised in Statement of Comprehensive Income. (2019 : Baht 89,373,299)

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.

Movement of obligation for the license for operation right in spectrum of digital television as follows:

	Consolidated Financial statements					
	31 December 2020 (Baht)			31 December 2019 (Baht)		
	Obligation to pay	Future finance charges	Net book amount	Obligation to pay	Future finance charges	Net book amount
Opening amount	-	-	-	1,005,048,750	(174,419,945)	830,628,805
Addition (Decrease) from extend the payment term of license	-	-	-	-	-	-
Addition (Decrease) Waive the last two instalments of license	-	-	-	(797,548,750)	161,932,382	(635,616,368)
(Repayments)/Amortisation	-	-	-	(207,500,000)	12,487,563	(195,012,437)
Closing amount	-	-	-	-	-	-

According to NCOP No. 4/2562, the result of waive instalments of licence liabilities in April 2019, the subsidiary adjusted the book value of license by decreasing the carrying value of license assets against the carrying value of the license liabilities by Baht 635.62 million.

As at 31 December 2020 and 2019, the subsidiary has not obligation to pay the license for operation right in spectrum of digital television.

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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	Advance payment for copyright of drama series	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 2019											
Cost	304,668,790	2,046,194,730	227,888,683	144,861,534	23,535,000	2,747,148,737	304,668,830	667,478,723	158,688,636	810,000	1,131,646,189
<u>Less</u> Accumulated amortisation	(275,546,465)	(1,657,385,842)	(94,066,730)	-	-	(2,026,999,037)	(275,546,489)	(658,150,206)	(80,525,816)	-	(1,014,222,511)
Net book amount	29,122,325	388,808,888	133,821,953	144,861,534	23,535,000	720,149,700	29,122,341	9,328,517	78,162,820	810,000	117,423,678
For the year ended 31 December 2019											
Opening net book amount	29,122,325	388,808,888	133,821,953	144,861,534	23,535,000	720,149,700	29,122,341	9,328,517	78,162,820	810,000	117,423,678
Addition	1,575,000	180,891,415	4,210,052	182,916,356	-	369,592,823	1,575,000	13,892,500	4,210,053	2,709,100	22,386,653
Transferred in (out)	-	287,230,971	8,477,788	(272,173,759)	(23,535,000)	-	-	-	2,423,200	(2,423,200)	-
Disposal - cost	-	-	-	-	-	-	-	-	(19,775)	-	(19,775)
- accumulated amortisation	-	-	-	-	-	-	-	-	10,405	-	10,405
Write-off - cost	(500,400)	(130,961,623)	(742,715)	(821,052)	-	(133,025,790)	(500,400)	(45,532,500)	(742,715)	-	(46,775,615)
- accumulated amortisation	500,400	130,961,484	742,708	-	-	132,204,592	500,400	45,532,361	742,708	-	46,775,469
Amortisation charge (Note 33)	(8,095,733)	(358,498,806)	(19,537,135)	-	-	(386,131,674)	(8,095,733)	(9,088,878)	(11,545,243)	-	(28,729,854)
Closing 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
As at 31 December 2019											
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

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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 18)	-	-	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 2020, 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 824,363,465 and Baht 391,699,839 (2019 : Baht 238,158,179 and Baht 139,289,929), respectively.

The amortization expense in the consolidated and Company financial statement amount to Baht 286,568,698 and Baht 25,594,805 (2019 : Baht 386,131,674 and Baht 28,729,854) has been charged in cost of goods and services of Baht 267,771,295 and Baht 14,100,114 (2019 : Baht 367,294,464 and Baht 17,881,935) and in administrative expenses of Baht 18,797,403 and Baht 11,494,691 (2019 : Baht 18,837,210 and Baht 10,847,919).

21 Withholding tax (net)

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Prepaid corporate income tax	16,943,422	11,492,366	-	-
Withholding tax deducted at source	139,469,816	154,130,349	25,522,031	59,836,570
<u>Less</u> Allowance for doubtful in recoverable of withholding tax	(8,762)	(7,176)	-	-
	156,404,476	165,615,539	25,522,031	59,836,570

22 Deferred tax (net)

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	58,404,743	85,049,646	-	5,077,337
Deferred tax assets to be recovered after more than 12 months	191,330,509	257,794,847	87,182,403	89,700,117
	249,735,252	342,844,493	87,182,403	94,777,454
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(16,492,066)	(15,996,415)	(577,925)	(973,988)
Deferred tax liabilities to be settled after more than 12 months	(109,684,641)	(126,051,665)	(731,805)	(1,180,312)
	(126,176,707)	(142,048,080)	(1,309,730)	(2,154,300)
Deferred tax assets (net)	123,558,545	200,796,413	85,872,673	92,623,154

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The movement of deferred taxes for the years ended 31 December 2020 and 2019 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance for the year	200,796,413	231,609,431	92,623,154	118,755,960
The effect of change in accounting policy Increase (Decrease) in the statement of income (Note 35)	-	(6,462,726)	-	(4,449,792)
Increase (decrease) to the statement of comprehensive income	(76,055,036)	(28,775,022)	(5,480,627)	(23,891,579)
	(1,182,832)	4,424,730	(1,269,854)	2,208,565
Closing balance for the year	123,558,545	200,796,413	85,872,673	92,623,154

Deferred tax assets and deferred tax liabilities presented by considering net position of each taxable unit as at 31 December 2020 and 2019 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred tax assets (net)	123,568,442	200,796,413	85,872,673	92,623,154
Deferred tax liabilities (net)	(9,897)	-	-	-
	123,558,545	200,796,413	85,872,673	92,623,154

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The movement of deferred taxes for the years ended 31 December 2020 and 2019 comprises the following:

	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	-	-	-	-
	-	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 wire the installment 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

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	Consolidated financial statements					Separate Financial Statements				
	1 January 2019 Baht	Retrospective adjustment from change in accounting policy Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2019 Baht	1 January 2019 Baht	Retrospective adjustment from change in accounting policy Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2019 Baht
Deferred tax assets:										
Loss allowance	15,438,763	-	(9,608,702)	-	5,830,061	14,106,660	-	(9,063,429)	-	5,043,231
Intangible assets	39,281,977	-	(1,752,332)	-	37,529,645	57,125	-	(57,143)	-	(18)
Temporary differences arising between the carrying amounts of inventories reported in the consolidated balance sheet and their tax base	277,312	-	2,455,921	-	2,733,233	-	-	-	-	-
Allowance for slow moving	5,510,417	-	1,199,397	-	6,709,814	162,784	-	-	-	162,784
License for operation right in spectrum of digital television	6,485,322	-	140,728,288	-	147,213,610	-	-	-	-	-
Employee benefit obligations	19,222,480	-	8,459,175	4,424,730	32,106,385	14,998,038	-	5,468,169	2,208,565	22,674,772
Cumulative tax loss carry forward	81,252,608	-	(38,420,455)	-	42,832,153	25,483,244	-	(25,483,244)	-	-
Allowance for impairment of investments	59,261,621	-	(367,429)	-	58,894,192	59,261,621	-	(367,430)	-	58,894,191
Depreciation expense from building and equipment	6,401,734	-	2,593,666	-	8,995,400	6,209,291	-	1,793,203	-	8,002,494
Total deferred tax assets	233,132,234	-	105,287,529	4,424,730	342,844,493	120,278,763	-	(27,709,874)	2,208,565	94,777,454
Deferred tax liabilities:										
Assets under finance lease agreement	(1,522,803)	-	90,979	-	(1,431,824)	(1,522,803)	-	90,979	-	(1,431,824)
Intangible assets - music license	-	-	(254)	-	(254)	-	-	(254)	-	(254)
Contract asset	-	(6,462,726)	5,740,504	-	(722,222)	-	(4,449,792)	3,727,570	-	(722,222)
Decrease wire the installment of license	-	-	(139,893,780)	-	(139,893,780)	-	-	-	-	-
Total deferred tax liabilities	(1,522,803)	(6,462,726)	(134,062,551)	-	(142,048,080)	(1,522,803)	(4,449,792)	3,818,295	-	(2,154,300)
Deferred tax assets (net)	231,609,431	(6,462,726)	(28,775,022)	4,424,730	200,796,413	118,755,960	(4,449,792)	(23,891,579)	2,208,565	92,623,154

23 Trade and other accounts payable

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts payable	711,179,947	251,134,319	33,116,083	47,708,697
Other accounts payable	49,931,359	63,133,433	22,326,722	60,158,655
Contract liabilities	38,956,681	44,826,672	13,804,682	25,623,330
Accrued expenses				
- Accrued commission and promotion expenses	89,538,914	149,899,713	11,218,895	68,969,004
- Accrued project expenses	40,351,058	73,508,613	6,943,915	17,272,918
- Accrued interest expenses	166,984	241,590	839,009	298,922
- Other accrued expenses	85,936,034	68,397,831	25,928,017	22,023,330
- Dividend payable	24,525	24,525	-	-
	1,016,085,502	651,166,696	114,177,323	242,054,856

Contract liabilities

The Group has recognised the following liabilities related to rental and service contracts with customers:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Contract liabilities				
- Current	38,956,681	44,826,672	13,804,682	25,623,330
- Non-current	-	-	-	-
	38,956,681	44,826,672	13,804,682	25,623,330

During 2020, revenue recognised in the current reporting period relates to carried-forward contract liabilities are Baht 44,826,672 and Baht 25,623,330 million in the consolidated and separate income statements, respectively.

During 2019, revenue recognised in the current reporting period relates to carried-forward contract liabilities are Baht 65,036,938 million and Baht 26,753,534 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	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Lease liabilities	496,363,700	9,697,513	251,580,374	9,697,513
<u>Less</u> Deferred interest expenses	(46,306,728)	(387,082)	(23,684,327)	(387,082)
Present value of lease liabilities	450,056,972	9,310,431	227,896,047	9,310,431
<u>Less</u> Current portion (net)	(83,311,020)	(6,729,866)	(42,197,064)	(6,729,866)
	366,745,952	2,580,565	185,698,983	2,580,565

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Minimum payment to be made in subsequent years are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<u>Payments due of lease liabilities</u>				
- Within 1 year	99,486,387	7,019,521	50,410,584	7,019,521
- Later than 1 year but not later than 5 years	385,262,289	2,677,992	193,909,128	2,677,992
- Over 5 years	11,615,024	-	7,260,662	-
	496,363,700	9,697,513	251,580,374	9,697,513

The fair value of Liabilities under finance lease contracts of consolidated and separate financial statement is 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 3.25% and in the level 2 of the fair value hierarchy.

25 Short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Promissory notes	540,000,000	450,000,000	350,000,000	320,000,000

As at 31 December 2020, outstanding 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 (2019 : 2.50% - 2.70% per annum). The outstanding principal and interest are due for payable during January to March 2021 (2019 : due for payable during January to February 2020).

The movement of short-term loans from financial institutions for the years ended 31 December 2020 and 2019 is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Promissory notes				
Opening net book amount	450,000,000	240,000,000	320,000,000	240,000,000
Additions	4,310,000,000	1,150,000,000	2,930,000,000	920,000,000
Repayments	(4,220,000,000)	(940,000,000)	(2,900,000,000)	(840,000,000)
Closing net book amount	540,000,000	450,000,000	350,000,000	320,000,000

26 Value added tax

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Undue output tax	(64,195,763)	(58,616,704)	(31,727,468)	(32,282,597)
Undue input tax	52,567,237	36,935,397	2,446,658	5,356,580
Value added tax receivable	10,784,470	3,127,206	47,736	47,736
Value added tax payable	(11,429,465)	(7,832,104)	(4,074,620)	(6,090,533)
	(12,273,521)	(26,386,205)	(33,307,694)	(32,968,814)

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Value added tax present by net position of each taxable unit as at 31 December 2020 and 2019 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Value added tax (assets)	24,610,076	8,610,259	-	-
Value added tax (liabilities)	(36,883,597)	(34,996,464)	(33,307,694)	(32,968,814)
	(12,273,521)	(26,386,205)	(33,307,694)	(32,968,814)

27 Long-term loans from a financial institution

The movements of long-term loans from a financial institution for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements	
	2020 Baht	2019 Baht
Balance as at 1 January	316,085,000	396,085,000
Repayments during the year	(80,000,000)	(80,000,000)
Balance as at 31 December	236,085,000	316,085,000

On 31 December 2020, the Group has credit facilities for long-term loans from a financial institution amounted to Baht 300 million (2019 : Baht 1,600 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 quarterly installment basis. The first installment is due to pay 25 months after the loan drawn down date (26 May 2016). Interest is payable monthly within 132 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	
	2020 % per annum	2019 % per annum
Long-term loans from a financial institution	4.04	4.00

The carrying amounts and fair value of certain long-term borrowing are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Long-term loans from a financial institution	236,085,000	316,085,000	236,072,235	316,085,000
	236,085,000	316,085,000	236,072,235	316,085,000

The fair value of long-term loans from a financial institution is Baht 236,072,235 calculated from future cash flows that is discounted at market interest rates at the rate of 3.25% and in the level 2 of the fair value hierarchy.

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As at 31 December 2020 and 2019, repayment periods of the long-term loans from a financial institution are summarised below:

	Consolidated financial statements	
	2020 Baht	2019 Baht
<u>Due within the years ending</u>		
Between 1 year	80,000,000	80,000,000
Between 2 years and 5 years	156,085,000	236,085,000
	236,085,000	316,085,000

28 Employee benefit obligations

Employee benefit obligations as at 31 December 2020 and 2019 comprise the following

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Statement of financial position				
Retirement benefits	170,653,648	163,964,704	100,858,435	105,976,538
Profit or loss charge included in operating profit for :				
Retirement benefit	12,808,703	42,550,274	6,665,211	27,595,243
Remeasurement for :				
Retirement benefit	(5,914,159)	22,123,651	(6,349,270)	11,042,823

The movement of employee benefit obligations during the years are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance	163,964,704	99,545,179	105,976,538	78,422,968
Effect from change in the Labour Protection Law	-	26,473,733	-	18,219,573
Current service cost	15,706,413	12,972,199	7,397,204	7,297,616
Past service cost	(5,207,649)	-	(2,017,161)	-
Interest cost	2,309,939	3,104,342	1,285,168	2,078,054
Loss from change in demographic assumptions	13,160,964	-	5,747,698	-
(Gain)/Loss from change in financial assumptions	(2,785,763)	22,123,651	(874,822)	11,042,823
(Gain) from experience adjustment	(16,289,360)	-	(11,222,146)	-
Transfer between the Group	-	-	(5,434,044)	(10,830,096)
Payment for retirement employee	(205,600)	(254,400)	-	(254,400)
Closing balance	170,653,648	163,964,704	100,858,435	105,976,538

	Consolidated and separate financial statements	
	2020	2019
Discount rate	0.52% - 3.03%	1.36% - 2.50%
Salary increase rate	7.00%	7.00% - 7.50%
Turnover rate	0.00% - 20.00%	0.00% - 25.00%
Mortality rate	3.00%	1.00%
Inflation rate	2.50%	2.50%

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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		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Discount rate	Increase by 1%	(16,972,444)	(16,961,393)	(8,087,540)	(9,378,696)
Discount rate	Decrease by 1%	19,734,544	19,861,448	9,181,124	10,841,701
Salary growth rate	Increase by 1%	18,643,496	20,299,726	8,738,318	11,238,395
Salary growth rate	Decrease by 1%	(16,339,768)	(17,687,313)	(7,778,001)	(9,920,779)
Turnover rate	Increase by 20%	(18,340,339)	(20,753,855)	(8,049,180)	(10,683,656)
Turnover rate	Decrease by 20%	22,566,813	26,227,062	9,582,117	13,071,863
Mortality rate	Increase by 1%	606,188	560,534	273,780	300,550
Mortality rate	Decrease by 1%	(681,928)	(625,509)	(304,624)	(332,465)

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.

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law was effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The Group recognised the impact in the consolidated and separate statement of comprehensive income for the year ended 31 December 2019.

29 Share capital

29.1 Ordinary shares and premium on share capital

	Consolidated and Separate financial statements			
	Authorised shares Shares	Ordinary shares Shares	Ordinary shares Baht	Share Permium Baht
Opening balance as at 1 January 2019	1,203,270,516	1,010,149,192	1,010,149,192	258,257,595
Issue of shares	2,000,000	5,619,310	5,619,310	64,429,859
Decrease in capital	(43,273,300)	(43,273,300)	(43,273,300)	(600,184)
Closing balance as at 31 December 2019	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 2020	1,161,997,216	972,496,946	972,496,946	322,107,225

29.2 Increase in share capital of Company

The Company's Annual General Shareholders' meeting on 9 April 2019 passed a resolution to increase authorised share capital amount of Baht 2,000,000 by issuing of 2,000,000 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 25 April 2019.

On 30 April 2019, the warrants holder exercised their warrant of 5,602,622 units to purchase 5,618,306 ordinary shares of Baht 12.4658 per each in total amount of Baht 70,036,679. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 10 May 2019.

On 31 October 2019, the warrants holder exercised their warrant of 1,000 units to purchase 1,004 ordinary shares of Baht 12.4419 per each in total amount of Baht 12,492. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 7 November 2019.

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.

29.3 Decrease in share capital of Company

On 22 August 2019, the Company registered the reduction of paid-up capital for unsold treasury shares within resale period, in the amount of 43,273,300 shares to the Department of Business Development, Ministry of Commerce. (Note 28.5)

29.4 Warrants

The exercise of warrants to purchase ordinary share of RS Public Company Limited, have movement for the years ended 31 December 2020 and 2019 as follows:

<u>Warrants No. 3 (RS-W3)</u>	Consolidated and separate financial statements Unit
Warrants had not been exercised as at 1 January 2019	193,121,214
Warrants had been exercised	(5,603,622)
Outstanding as at 31 December 2019	187,517,592
Warrants had been exercised	(1,738)
Outstanding warrants as at 31 December 2020	187,515,854

On 15 February 2019, the Company's board of directors' meeting no.1/2019 approved to propose on Annual General Meeting of shareholders of 2019 to approve the payment of dividend, meaning the Company needed to adjust the exercise price and exercise ratio of warrants. On 27 February 2019, the Company announced the details of the adjusted exercise price from Baht 12.483 per 1 ordinary share to Baht 12.4658 per 1 ordinary share, and exercise ratio from 1 stock warrant per 1.0014 ordinary share to 1 stock warrant per 1.0028 ordinary share. The effective date of the exercise was 28 February 2019.

On 30 April 2019, the warrants holder exercised their warrant of 5,602,622 units to purchase 5,618,306 ordinary shares of Baht 12.4658 per each in amount of Baht 70,036,679. The Company has already received all amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 10 May 2019.

On 31 October 2019, the warrants holder exercised their warrant of 1,000 units to purchase 1,004 ordinary shares of Baht 12.4419 per each in total amount of Baht 12,492. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 7 November 2019.

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.

29.5 Treasury shares/treasury shares reserve

The movement of treasury shares and premium on share capital for the years ended 31 December 2020 and 2019 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 2019	43,273,300	465,274,840	(600,184)
Decrease in share capital	(43,273,300)	(465,274,840)	600,184
Closing balance as at 31 December 2019	-	-	-
Repurchase	15,000,000	160,158,220	-
Closing balance as at 31 December 2020	15,000,000	160,158,220	-

As at 13 August 2019, the meeting of the Board of Directors No. 4/2019 passed a resolution to decrease share capital for outstanding unsold treasury shares within resale period of 43,273,300 shares to the Department of Business Development, Ministry of Commerce. On 22 August 2019, the Company registered the reduction of paid-up capital for unsold treasury shares within resale period, in the amount of 43,273,300 shares to the Department of Business Development, Ministry of Commerce. (Note 29.3)

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On 18 December 2019, the Company's Board of Director No. 6/2019 passed a resolution to repurchase the Company's paid up capital detail as follows:

- The maximum amount for the share repurchases are not exceeding Baht 200 million.
- Number of repurchased shares will be not exceeding 15 million shares at par value of Baht 1 per share, which is equivalent to 1.54% of the total issued shares.
- Repurchasing of shares on the Stock Exchange of Thailand.
- The repurchase period will be within 6 months since 2 January 2020 to 1 July 2020.
- In determining the repurchase price, the average market price during 30 days prior to the date on which the Company discloses the information of shares repurchase will be used as the basis of calculation. The repurchase price must be not exceeded average closing price during 5 working days prior to each trading date plus 15% of such average closing price. The average market price during 30 days during 4 November 2019 to 17 December 2019 was Baht 13.67 per share.

During January to September 2020, the Company has purchased treasury shares 15,000,000 shares at Baht 10.20 to Baht 11.90 per share totalling Baht 160,158,220.

30 Dividend payment

At the Company's Annual General Shareholders' meeting at 9 April 2019 passed a resolution approve the dividends from the operation results for the year 2018 at the rate of Baht 0.20 per share total Baht 193,374,458 which the Company paid the dividend on 25 April 2019.

At the Company's Board of Director meeting No.4/2019 at 13 August 2019 the director passed a resolution approve the interim dividends for the six-month period ended 30 June 2019 at the rate of Baht 0.20 per share total Baht 194,498,100 which the Company paid the interim dividend on 12 September 2019.

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	
	2020 Baht	2019 Baht	2020 Baht	2019 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

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
For the years ended 31 December				
Gain from disposal building and equipment and intangible assets	845,520	-	893,449	329,429
Interest income	486,454	1,195,205	20,955,242	30,058,081
Dividend income (Note 15)	-	-	16,747,990	45,419,936
Management fee (Note 37 a))	-	-	-	387,015,063
Income from win a lawsuit	2,140,154	-	-	-
Pirate of copyright income	46,729	292,166	-	-
Subsidy for audio and video description from NBTC	5,790,338	-	-	-
Revenue from canteen	5,652,487	-	5,652,487	-
Gain from liquidation	16,693	-	16,693	-
Other income	1,925,403	9,232,523	719,874	722,519
	16,903,778	10,719,894	44,985,735	463,545,028

33 Expense by nature

The following significant expenditure items, classified by nature for the years ended 31 December 2020 and 2019, have been charged in the profit before finance costs and income tax:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Change in inventories of finished goods and work in process	64,975,051	12,679,546	4,031,372	(989,597)
Raw material and consumables used	1,401,739,943	1,359,969,933	379,611,173	344,999,984
Staff costs	727,546,250	722,559,402	270,798,489	318,029,104
Depreciation charge (Note 17 and 18)	175,087,247	101,174,868	107,737,264	84,401,507
Amortisation charge (Note 18, 19 and 20)	359,025,026	475,504,973	25,632,472	28,729,854
Rental expenses and utilities expenses	128,050,385	134,270,410	58,653,075	94,875,000
Promotion and advertising expenses	300,006,813	221,194,184	7,975,044	39,130,845
(Reversal of) from inventory destruction and obsolescence of inventories	(2,127,781)	5,996,985	-	-
Freight	107,888,313	92,684,174	-	-

34 Finance costs

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
For the years ended 31 December				
Interest expense from short-term borrowings from financial institutions	(19,358,814)	(21,391,785)	(6,549,216)	(4,079,739)
Interest expense from short-term borrowings from related companies (Note 37 a))	-	-	(3,689,220)	(3,152,402)
Interest expense for lease liabilities	(16,752,498)	(752,311)	(8,461,161)	(752,311)
Interest expense from license for operation right in section of digital television	-	(12,487,563)	-	-
	(36,111,312)	(34,631,659)	(18,699,597)	(7,984,452)

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35 Income tax

Reconciliation of income tax expense for the years ended 31 December 2020 and 2019 comprises:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current income tax on taxable profit for the year	(61,282,681)	(68,318,821)	(36,871,554)	(57,728,608)
Over recorded prior year income tax	403,594	-	(337)	-
Under recorded prior year income tax	-	(80,895)	-	-
Write - off allowance for doubtful in recoverable of withholding tax	(333,372)	(500,107)	(144,106)	(311,297)
Reversal of allowance for doubtful in recoverable of withholding tax	(1,586)	223,149	-	-
Decrease (increase) in deferred tax assets (Note 22)	(82,624,667)	105,287,275	(6,611,619)	(27,710,128)
(Decrease) increase in deferred tax liabilities (Note 22)	6,569,631	(134,062,297)	1,130,992	3,818,549
Total income tax credit (expense)	(137,269,081)	(97,451,696)	(42,496,624)	(81,931,484)
	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit before tax accounting base	665,546,724	461,846,487	229,716,331	447,150,408
Tax calculated at the rate of 20%	(133,109,345)	(92,369,297)	(45,943,266)	(89,430,082)
Tax effect of:				
Non-deductible expenses	(2,482,310)	(5,769,141)	(2,471,212)	(2,410,159)
Additional deductible expenses	2,382,572	2,284,577	1,785,533	2,093,130
Temporary deferred of previously unrecognised deferred tax	919,545	(717,998)	927,166	(434,797)
Allowance for impairment in associate company and subsidiaries	(8,179)	283	-	-
Tax exemption - dividend received	-	-	3,349,598	9,083,988
Decrease of share capital in subsidiary	(5,040,000)	(522,267)	-	(522,267)
Write - off allowance for doubtful in recoverable of withholding tax	-	(500,107)	(144,106)	(311,297)
Reversal of allowance for doubtful in recoverable of withholding tax	(334,958)	223,149	-	-
Over (under) recorded prior year income tax	403,594	(80,895)	(337)	-
Tax charge	(137,269,081)	(97,451,696)	(42,496,624)	(81,931,484)

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	
	2020	2019	2020	2019
Profit attributable to equity holders of parent (Baht)	528,278,160	363,343,967	187,219,707	365,218,924
Weighted average number of ordinary shares in issue and paid-up (shares)	959,600,398	970,508,702	959,600,398	970,508,702
Basic earnings per share (Baht)	0.5505	0.3744	0.1951	0.3763

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	
	2020	2019	2020	2019
Net profit attributable to equity holders of parent (Baht)	528,278,160	363,343,967	187,219,707	365,218,924
Weighted average number of ordinary shares in issue and paid-up (shares)	959,600,398	970,508,702	959,600,398	970,508,702
Adjustment for :				
Assume conversion of warrants	-	43,507,317	-	43,507,317
Weighted average number of common shares for calculation of diluted earnings per share (shares)	959,600,398	1,014,016,019	959,600,398	1,014,016,019
Diluted earnings (Baht/share)	0.5505	0.3583	0.1951	0.3602

37 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 15 and 16.

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Significant related parties transactions other than subsidiaries and associates can be summarised as follows:

Related parties	Type of business	Type of relation
Chetchotsak Co., Ltd.	Rental service	Common shareholder and directors
Idea Power Co., Ltd.	Organizer	Associated company
Membership Co., Ltd.	Rental service	Common shareholder and directors
Chetchot Co., Ltd.	Rental service	Common shareholder and directors
Key management personnel	-	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group company

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 2020 and 2019.

	Consolidated financial information		Separate financial information	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Transaction with Subsidiaries				
Revenue from media	-	-	215,112,972	132,043,282
Revenue from music	-	-	28,746,721	41,974,347
Revenue from sales of goods	-	-	-	27,670,300
Revenue from management service	-	-	428,809,910	387,015,063
Dividend income	-	-	16,747,990	45,419,936
Interest income	-	-	20,831,151	29,630,353
Other income	-	-	14,620,782	14,148,087
Cost of sales and service	-	-	50,586,538	58,702,344
Selling and administrative expenses	-	-	527,627	25,715,115
Finance cost - interest expense (Note 34)	-	-	3,689,220	3,152,402
Transaction with related parties				
Cost of sales and service	41,832,827	31,827,150	8,387,277	21,509,710
Selling and administrative expenses	115,274,629	72,513,769	72,078,554	63,926,307
Finance cost - interest expense	16,080,916	-	8,106,445	-
Key management's remuneration	139,914,709	114,250,288	88,018,658	89,872,987

- b) Outstanding balance arising from trade and other accounts receivable as at 31 December 2020 and 2019 are as follows:

	Consolidated financial information		Separate financial information	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts receivables				
Subsidiaries	-	-	461,052,163	343,405,027
Related parties	4,766	-	4,766	-
	4,766	-	461,056,929	343,405,027
Accrued interest income				
Subsidiaries	2,489,884	2,489,884	5,887,331	6,957,047
Refundable deposits				
Related parties	16,144,598	-	6,997,124	-
Accrued income				
Subsidiaries	-	-	19,783,021	1,061,772

RS Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

c) Outstanding balance of trade and others accounts payable as at 31 December 2020 and 2019 are as follows:

	Consolidated financial information		Separate financial information	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade accounts payable				
Subsidiaries	-	-	17,128,356	23,744,267
Other accounts payable				
Subsidiaries	-	-	-	13,036,559
Related parties	2,610,975	2,502,866	939,362	1,610,263
	2,610,975	2,502,866	939,362	14,646,822
Unearned revenue				
Subsidiaries	-	-	1,260,000	472,500
Accrued project expenses				
Subsidiaries	-	-	3,582,999	4,527,498
Accrued interest expense				
Subsidiaries	-	-	824,434	270,429
Accrued commission and promotion expenses				
Subsidiaries	-	-	17,119	26,218,379
Accrued expense - others				
Related parties	1,461,056	-	876,479	-
Lease liability agreements				
Related parties	432,266,323	-	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 2020 and 2019 are as follows:

	Consolidated financial information		Separate financial information	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening balance	20,355,000	20,355,000	1,027,055,000	904,395,000
Additions	-	-	471,000,000	335,000,000
Repayments received	-	-	(443,000,000)	(210,000,000)
Write off during the year	-	-	-	(2,340,000)
	20,355,000	20,355,000	1,055,055,000	1,027,055,000
<u>Less</u> Allowance for doubtful accounts	(20,355,000)	(20,355,000)	(20,355,000)	(20,355,000)
Closing balance	-	-	1,034,700,000	1,006,700,000

As at 31 December 2020 the outstanding balance of short-term loans from related parties are unsecured loan in Thai Baht currency bear interest at the rate of 1.99% per annum (As at 31 December 2019 : 2.65% 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.

RS Public Company Limited
Notes to the Consolidated and Separate Financial Statements
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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 financial statements	Separate financial statements
	Baht	Baht
As at 31 December 2019 - calculated under TAS 101	(20,355,000)	(20,355,000)
Amount restated through opening retained earnings	-	-
Opening loss allowance as at 1 January 2020		
- calculated under TFRS 9	(20,355,000)	(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 2020	(20,355,000)	(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 2020 and 2019 are as follows:

	Separate financial information	
	2020	2019
	Baht	Baht
Opening balance	97,027,125	208,027,125
Additions	182,000,000	154,027,125
Repayment received	(23,700,000)	(265,027,125)
Closing balance	255,327,125	97,027,125

As at 31 December 2020, the outstanding balance of short-term loans for related parties are unsecured loan in Thai Baht currency and bear interest at the rate of 1.99% per annum (As at 31 December 2019 : 1.38% 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	
	2020	2019	2020	2019
For the year ended 31 December	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	139,914,709	114,250,288	88,018,658	89,872,987
Post-employment benefits	4,367,216	5,945,251	2,911,386	5,244,997
	144,281,925	120,195,539	90,930,044	95,117,984

RS Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

38 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 2020, the Group's revenue from sales and services with external customers approximately 91.09% 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 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	2,381,755,510	1,148,161,688	166,178,927	78,067,582	-	3,774,163,707	-	3,774,163,707
internal	171,412,569	728,542,870	27,746,721	376,823	428,809,910	1,356,888,893	(1,356,888,893)	-
Total revenues	2,553,168,079	1,876,704,558	193,925,648	78,444,405	428,809,910	5,131,052,600	(1,356,888,893)	3,774,163,707
Cost of sales and services	955,687,713	1,070,286,572	70,358,310	47,025,724	377,135,035	2,520,493,354	(751,831,051)	1,768,662,303
Gross profit	1,597,480,366	806,417,986	123,567,338	31,418,681	51,674,875	2,610,559,246	(605,057,842)	2,005,501,404
Timing of revenue recognition:								
Point in time	2,553,168,079	486,299,951	190,019,893	78,444,405	-	3,307,932,328	(393,914,247)	2,914,018,081
Over time	-	1,390,404,607	3,905,755	-	428,809,910	1,823,120,272	(962,974,646)	860,145,626
Total revenue	2,553,168,079	1,876,704,558	193,925,648	78,444,405	428,809,910	5,131,052,600	(1,356,888,893)	3,774,163,707
Consolidated financial statements								
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)	63,379,932	242,452,895	740,831	53,779	335,253,119	641,880,556	-	641,880,556
Right-of-use assets (net)	101,110,664	128,632,601	3,914,614	-	237,829,068	471,486,947	-	471,486,947
Intangible assets (net)	66,353,947	1,748,586,043	23,721,039	-	74,097,195	1,912,758,224	-	1,912,758,224
Consolidated financial statements								
For the year ended 31 December 2019								
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Revenues								
external	2,012,441,108	1,069,232,210	289,378,034	240,089,410	-	3,611,140,762	-	3,611,140,762
internal	28,182,188	671,881,601	41,974,347	-	-	742,038,136	(742,038,136)	-
Total revenues	2,040,623,296	1,741,113,811	331,352,381	240,089,410	-	4,353,178,898	(742,038,136)	3,611,140,762
Cost of sales and services	700,818,599	1,275,349,523	103,731,907	132,924,600	-	2,212,824,629	(192,862,417)	2,019,962,212
Gross profit	1,339,804,697	465,764,288	227,620,474	107,164,810	-	2,140,354,269	(549,175,719)	1,591,178,550
Timing of revenue recognition:								
Point in time	2,040,623,296	106,906,697	324,631,813	63,278,505	-	2,535,440,311	(106,776,671)	2,428,663,640
Over time	-	1,634,207,114	6,720,568	176,810,905	-	1,817,738,587	(635,261,465)	1,182,477,122
Total revenue	2,040,623,296	1,741,113,811	331,352,381	240,089,410	-	4,353,178,898	(742,038,136)	3,611,140,762
Consolidated financial statements								
As at 31 December 2019								
	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)	63,577,901	185,022,455	317,038	116,671	254,749,384	503,783,449	-	503,783,449
Intangible assets (net)	56,792,769	1,219,780,036	22,628,110	-	74,337,351	1,373,538,266	-	1,373,538,266

39 Credit facilities

As at 31 December 2020 and 2019, the Group has undrawn borrowing facilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Various credit facilities - Unused	1,015	1,090	445	475

40 Commitments, contingent liabilities and significant agreements

40.1 Commitments

a) Capital commitments

	Consolidated financial information		Separate financial information	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Purchase assets	8,054,509	118,661,621	3,528,309	37,691,683

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	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Not later than 1 year	-	5,114,371	-	2,530,621
Later than 1 year but not later than 5 years	-	7,007,400	-	-
	-	12,121,771	-	2,530,621

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	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Not later than 1 year	63,047,354	4,624,485	28,502,896	-
Later than 1 year but not later than 5 years	75,384,408	13,746,600	32,141,004	-
	138,431,762	18,371,085	60,643,900	-

40.2 Significant agreements with related parties and other entities

- a) The Company and subsidiary have entered 8 agreements whereby those companies are to provide satellite transmission services during 20 December 2019 to 10 September 2021. 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.
- b) A subsidiary has entered into an agreement to buy airtime of Radio Broadcast Station with the government agency for the period of 2 years starting from 1 January 2020 to 31 December 2021 as stipulated in the agreements.
- c) 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.
- d) 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	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Performance and retention bond , guarantee	21.07	46.69	0.29	2.22
Advance payment guarantee	0.05	0.05	-	-
Electricity supply and communication	0.42	0.42	-	-
	21.54	47.16	4.15	2.22

41 Significant claims and legal litigations

41.1 As at 31 December 2020 and 2019, the Company and the subsidiaries have been sued, 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 32.27 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.

41.2 Sponsor fee for broadcasting FIFA world cup.

In June 2014 the subsidiary company and National Broadcasting and Telecommunications Commission (NBTC) have agreed to whereby the subsidiary company shall broadcast all matches of FIFA World Cup 2014 to Free TV and NBTC shall sponsor to the subsidiary company.

Presently the subsidiary company is in process to appeal to receive sponsor fee for the remaining amount of Baht 57.14 million from the NBTC. On 28 May 2020 this case was dismissed in the Supreme Administrative Court.

42 Subsequent events

In the Board of Directors' meeting No. 1/2021 on 18 January 2021, the resolutions are approved as follows:

- Approved to increase the registered capital of RSX Company Limited from the original registered capital of 80,000,000 baht to a new registered capital amount. 1,035,000,000 baht by issuing new ordinary shares of 9,550,000 shares, par value of Baht 100 per share, totaling of Baht 955,000,000. The ordinary shares in paid in full.
- Approved the subsidiary, RSX Co., Ltd., to acquire newly issued ordinary shares in Chet Asia Company Limited amounting of 2,744,773 shares or 35% of the total registered capital of Chet Asia Company Limited at the price of Baht 920,000,000.
- Approved the Company to enter into a loan agreement with financial institution. The credit limit is limited to Baht 1,000,000,000 with a term loan of 7 years at MLR minus percentage according to the contract. The repayment of loan start in the 4th year for a total of 48 straight-line installments. RSX Company Limited guaranteed a loan and pledged shares of Chet Asia Company Limited.

In the Board of Directors' meeting No. 2/2021 on 24 February 2021, the resolutions are approved as follows:

- Approve the Company to decrease the Company's registered capital from Baht 1,161,997,216 to Baht 972,496,946 by decreasing the ordinary shares from unsold warrants to purchase ordinary shares of the Company #3 (RS-W3) in the amounting of 189,500,270 share at the par value of Baht 1 totalling of Baht 189,500,270 shares. This will be proposed to the Annual General Meeting of Shareholders for further approval.
- Approve the Company to issuing and offering the warrants to purchase the ordinary shares of the Company (RS-W4) in the amounting of 191,499,266 units to the existing shareholders at the ratio of 5 existing ordinary share per 1 unit of Warrant for free. If there is any fraction from warrants ratio, round down the fraction. One unit of Warrant will be entitled to purchase 1 new ordinary share at the price of Baht 29 per share. This will be proposed to the Annual General Meeting of Shareholders for further approval.
- Approve the Company to increase registered capital from Baht 972,496,946 to Baht 1,163,996,212 by issuing new ordinary shares amounting of 191,499,266 at the par value of Baht 1 each to reserve for the exercise of the Warrants to purchase the ordinary shares of the Company #4 (RS-W4) totalling of 191,499,266 shares. This will be proposed to the Annual General Meeting of Shareholders for further approval.

Part

4 | Confirmation of Information Accuracy



Certification of Information

The annual registration statement shall be certified by the director(s) with binding authority by affixing signature and the Company's stamp (if any) wherein, and authorizing a person to sign on the documents of the annual registration statement on his/her/their behalf. The certification shall contain the following statements in the following format: "The Company has reviewed the information on this annual registration statement with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

(1) The financial statements and financial information summarized in this annual registration statement show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company and the subsidiaries;

(2) The Company has provided an efficient disclosure system to ensure that the material information of the Company and the subsidiaries is disclosed accurately and completely, and has supervised compliance with such disclosure system;

(3) The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on February 24, 2021 to the auditor and the Audit Committee, which covers deficiencies, significant changes on the internal control system, and wrongful acts that may affect the preparation of financial reporting of the Company and the subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized Ms. Nipa Banyatcharoenon to sign on every page of the documents, and the absence of the authorized signature of Ms. Nipa Banyatcharoenon any document shall be deemed that such unsigned document has not been certified by the Company.

Name	Position	Signature
1. Mr. Surachai Chetchotisak	Chairman	_____
2. Mr. Wittawat Wetchabutsakorn	Director	_____

Name	Position	Signature
Authorized Person Ms. Nipa Banyatcharoen	Director of Finance	_____

Attachment

A blurred office scene. In the foreground, a woman with dark hair, wearing a white long-sleeved shirt and a watch, is seated at a white desk. She is holding a smartphone in her right hand and a pen in her left hand, which is resting on an open notebook. To her left, there is a black office telephone. The background is out of focus, showing a large window with a view of a green landscape and a white structure, possibly a building or a bridge. The overall atmosphere is bright and professional.

RS Public Company Limited
Detail of Directors, Management, Authorized Persons and Company Secretary
As of December 31, 2020

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 Chechotsak Chairman Chairman of the Executive Committee Chief Executive Officer Chairman of Human Development Committee	58	January 15, 2003	Authorized Director Executive Director	Honorary Doctorate of Marketing, Chandrakasem Rajabhat University Bachelor of Political Sciences, Ramkhamhaeng University	22.64%	None	Feb 20, 20 - Present 2012 - Present 2003 - Present 1992 - Present	Chairman of Human Development Committee Chairman Chairman of the Executive Committee Chief Executive Officer	RS Public Company Limited RS Public Company Limited RS Public Company Limited RS Public Company Limited	- Director Accreditation Program (DAP) Year 2003	Director, Chechotsak Co.,Ltd. Director, Membership Co.,Ltd. Director, Tiger Fun Co.,Ltd. Director, Chechot Co.,Ltd. Director, Soaring Tiger Co.,Ltd. Director, Golden Tiger Co.,Ltd.
2)	Mrs. Pempai Techarungchakul Director, Executive Director Chairman of the Risk Management Committee Company Secretary Member of Human Development Committee Chief Commercial Officer	50	April 21, 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	None	None	Feb 20, 20 - Present Oct 15, 19 - Present 2011 - Present 2010 - Present 2008 - Present 2007 - Oct 14, 2019 2004 - Present 2004 - Feb 19, 2020	Human Development Committee Chief Commercial Officer Chairman of the Corporate Governance Committee Chairman of the Risk Management Committee Company Secretary Chief Operating Officer Director and Executive Director Chairman of the Human Development Committee	RS Public Company Limited RS Public Company Limited	- Director Certification Program (DCP) Year 2007 - Director Accreditation Program (DAP) Year 2004 - Executive Development Program 42009 (EDP 4) Thai Listed Companies Association - Advanced Master of Management Program (AMM)	
3)	Mr. Wittawat Wetchabutsakom Director, Executive Committee, Chief Financial Officer Corporate Governance and Sustainable Development Committee Risk Management Committee	42	January 31, 2020	Authorized Director Executive Director	ปริญญาโท บริหารธุรกิจมหาบัณฑิต (MBA) Northeastern University, Boston, USA ปริญญาโท Science in Finance (MSF) Northeastern University, Boston, USA ปริญญาตรี บริหารธุรกิจมหาบัณฑิต (BBA) โปรแกรมบริหารธุรกิจ จุฬาลงกรณ์มหาวิทยาลัย	None	None	November 12, 2020 - Present February 3, 2020 - Present January 31, 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) by Thailand Securities Institute (TSI), the Stock Exchange of Thailand. - CFO's Course for TFRS 2020 by Dharmmit Seminar and Training Co.,Ltd	Director of RSX Co., Ltd.
4)	Mr. Danasidh Pestapunt Director Member of the Risk Management Committee Chief Legal Officer	65	July 30, 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	0.06%	None	Feb 1, 2017 - Present Feb 1, 2017 - Nov 11, 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	- Director Certification Program (DCP) Year 2008 - Director Accreditation Program (DAP) Year 2008 - Financial Statements for Directors (FSD) Year 2008	Director, Cozlim Co., Ltd Director, RSX Co., Ltd
5)	Mr. Sorat Vanchivarakj Director	47	November 14, 2012	Director	Master of Business Administration (MBA), Asian Institute of Technology (AIT) Bachelor of Marketing Business Administration, Assumption University of Thailand (ABAC)	10.08%	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

RS Public Company Limited
Detail of Directors, Management, Authorized Persons and Company Secretary
As of December 31, 2020

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		
8)	Mr. Prais Dachanasathorn Independent Director Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee	79	February 19, 2007	Independent Director Chairman of the Audit Committee	Bachelor of Accounting, Thammasat University Bachelor of Commerce, Thammasat University Certified Public Account No.966	None	None	2018 - Present 2014 - Present Feb 2007 - Present 2003 - Present 2001 - Present 1992 - Present	Chairman of the Committee Director Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee Director, Chairman of Audit Committee and Vice Chairman of Selection and Remuneration Committee Chairman of the Executive Committee Director and Member of the Executive Committee	BUC Staff Savings Cooperative Limited Don Muang Tollway Public Company Limited RS Public Company Limited Jaymart Public Company Limited Professional Alliance Group Limited Polpharm Company Limited	- Director Certification Program (DCP) Year 2007 - Audit Committee Program (ACP) Year 2005 - Director Accreditation Program (DAP) Year 2004	Chairman of the Committee, BUC Staff Savings Cooperative Limited Director, Don Muang Tollway Public Company Limited Chairman of the Executive Committee Professional Alliance Group Limited Director, Chairman of Audit Committee and Vice Chairman of Selection and Remuneration Committee Jaymart Public Company Limited Director, Polpharm Company Limited
7)	Ms. Wansuda Thansaranant Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee	69	January 20, 2016	Independent Director Audit Committee Member	Master of Business Administration (MBA), Thammasat University Bachelor of Accounting, Chiangmai University	None	None	Jan-2016 - Present 2010 - Present	Senior Vice President - Chinese and Corporate Customers Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee	Bangkok Bank Public Company Limited RS Public Company Limited	- Director Accreditation Program (DAP) Year 2016	None
8)	Mr. Chakkrit Panpanzattakul Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee	61	July 9, 2019	Independent Director Audit Committee Member	Master of Business Administration (MBA), Angelo State University, Texas, U.S. Bachelor of Accounting, Thammasat University	None	None	Jul 9, 2019 - Present July 31, 2020 - Present April 1, 2020 - July 2, 2020 2020 - Present 2019 - Present 2018 - Present 2018 - 2019 2018 - Present 2017 - Present 2017 - Present 2017 - 2020 2015 - Present 2014 - Present 2017 - 2018 2015 - 2017 2015 - 2017 2014 - 2015 2013 - 2016 2011 - 2016 2003 - Apr 2019	Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee Second Vice Chairman Acting for President Director and Chairman of the Audit Committee Director and Chairman of the Independent Director Chairman of the Committee Chairman of the Committee Chairman of the Committee and Chairman of the Audit Committee Deputy Permanent Secretary President Director Director and Member of the Nomination, Compensation and Corporate Governance Committee Director Director Director-General Chairman Director Director Director Chairman of the Committee and Independent Director	RS Public Company Limited Thai Always International Public Company Limited Thai Always International Public Company Limited Master Style Co., Ltd. Synnex (Thailand) Public Company Limited NBD Healthcare Company Limited ASEAN Potash Chaayaphum Public Company Limited Sabay Technology Public Company Limited Ministry of Finance Federation of Accounting Professions under The Royal Patronage of His Majesty The King Essio (Thailand) Public Company Limited Siam Commercial Bank Prithong Industrial Park Public Company Limited TRIS Corporation Company Limited Treasury Department Dhanarak Asset Development Company Limited Krung Thai Bank Public Company Limited Vichitban Palmoil Public Company Limited PTI Exploration and Production Public Company Limited MRG Corporation Public Company Limited	- Director Accreditation Program (DAP) Year 2004 - Board Matters and Trends (BMT 42017) Year 2017 - Ethical Leadership Program (ELP 92017) Year 2017	Deputy Permanent Secretary, Ministry of Finance President, Federation of Accounting Professions under The Royal Patronage of His Majesty The King Chairman of the Committee, NBD Healthcare Company Limited Chairman of the Committee and Chairman of the Audit Committee, Sabay Technology Public Company Limited Director and Chairman of the Independent Director, Synnex (Thailand) Public Company Limited Director and Member of the Nomination, Compensation and Corporate Governance Committee, Siam Commercial Bank Director, Prithong Industrial Park Public Company Limited Director, Essio (Thailand) Public Company Limited Second Vice Chairman, Thai Always International Public Company Limited Director and Chairman of the Audit Committee, Master Style Co., Ltd.
9)	Ms. Kunchanya Karuhadaj Member of Corporate Governance and Sustainable Director of Human Development Chief of People Officer	51	December 11, 2019	-	Master of Human Resource Management, Golden Gate University San Francisco, United States. Bachelor of Public Administration Program, Kasetorn University	0.00%	None	November 12, 2020 - Present February 20, 2020 - Present December 11, 2019 - Present 2014 - 2019	Member of Corporate Governance and Sustainable Development Director of Human Development Chief of People Officer Senior Executive Vice President Chief of Human Resources Officer	RS Public Company Limited RS Public Company Limited RS Public Company Limited Lazada Co., Ltd.	None	None

Notes:
1) Mr. Sanchai Chetthitak was appointed to be the Chairman of Human Development Committee, effective from February 20, 2020.

2) Ms. Panyaporn Techarungthakul was appointed to be Member of Human Development Committee and resigned from Chairman of Human Development Committee and Chairman of Corporate Governance and Sustainable Development Committee, effective from February 20, 2020 and November 12, 2020 respectively.

3) Mr. Wisavee Wechhachulakorn was appointed to be the Director, Executive Director and Chief Finance Officer, effective from February 3, 2020 and Member of Corporate Governance and Sustainable Development Committee and Risk Management Committee, effective from November 12, 2020.

4) Mr. Dornwath Palaporn resigned from Member of Corporate Governance and Sustainable Development Committee, effective from November 12, 2020.

5) Ms. Nuchchanya Kanchanayee was appointed to be Member of Human Development and Member of Corporate Governance and Sustainable Development Committee, effective from February 20, 2020 and November 12, 2020 respectively.

Detail of Directors, Management and Authorized Persons in the Company's subsidiaries

As of December 31, 2020

	Mr. Surachai Chetchotisak	Mr. Danaisidh Peslapunt	Mrs. Pornpan Techarungchaikul	Mr. Wittawat Wetchabutsakorn	Mr. Sorat Vanichvarakij	Mr. Phisit Dachanabhirom	Mrs. Wansuda Thanasaranart	Mr. Chakkrit Parapuntakul	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) RSX Co., Ltd. (Formerly: R Alliance Co., Ltd.)	x /	/		/					
11) Idea Power Co., Ltd									

Remarks:

x Chairman

/ Director

// Executive Director

* ผู้บริหาร

RS Public Company Limited
 Detail of Supervising Accountant
 As of December 31, 2020

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	49	December 1, 2006	Bachelor of Accounting, Bangkok University	None	None	December 1, 2006 - Present	Director of Accounting and Supervising Accounting	RS Public Company Limited	<ul style="list-style-type: none"> - 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 Training (ACPG) 2019 (16 hours) - New Financial Reporting Standards in 2019 and 2020 (4/2019 : 6 hours) - TFRS 2020 (IAS 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) 	None

Details of directors of subsidiaries and related company			
As of December 31, 2020			
Company	Director ¹		Director ²
Subsidiary Company			
1) RS Mall Co., Ltd. (Formerly: Lifestar Co., Ltd.)	Mr. Surachai Chetchotisak	Mrs. Pompan Techarungchaikul	
2) R.S. Television Co., Ltd.			Ms. Nongluk Ngamroj Mr. Suphan Suahan
3) Thai Copyright Collection Co., Ltd.			Mr. Supan Sueharn Mr. Prawate Jiwattanachowitkul
4) Lifestar Co., Ltd (Formerly: RS Mall Co., Ltd. and Buntoeng Variety Co., Ltd.)	Mr. Surachai Chetchotisak	Mrs. Pompan Techarungchaikul	Mr. Noppadol Likhitsajjakul Mr. Chakrit Pichyangkul
5) Coolism Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Pompan Techarungchaikul	Mr. Danaisidh Peslapunt
6) Yaak Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Pompan Techarungchaikul	Mr. Prinn Muensuksaeng
7) RSX Co., Ltd. (Formerly: R Alliance Co., Ltd.)	Mr. Surachai Chetchotisak	Mrs. Pompan Techarungchaikul	Mr. Wittawat Wetchabutsakorn
8) RS Travel Co., Ltd. (Formerly: Goodlife Group Co., Ltd.)			Mr. Prawate Jiwattanachowitkul Ms. Thitiyaporn Ngamsang
9) RS International Broadcasting and Sports Management Co., Ltd.	Mr. Surachai Chetchotisak	Mrs. Pompan Techarungchaikul	
Associated Company			
1) Idea Power Co., Ltd.			Mr. Supan Sueharn Mr. Prawate Jiwattanachowitkul
Related Company			
1) Chetchotsak Co., Ltd.	Mr. Surachai Chetchotisak		Ms. Malee Chetchotisak Mrs. Chanapa Chetchotisak Mr. Suwat Chetchotisak Ms. Thidarat Chetchotsak Ms. Marisa Chetchotisak Mrs. Nareerat Limprasert
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 Rojanapakdee
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

Detail of Head of Internal Audit and Corporate Compliance of the Company

1) Head of Internal Audit

Name-Surname	Position	Education Background / Training	Working Experience for the last 5 years		
			Period	Position	Company
Ms. Korapin Naksuprangi	Assistant Director	- Master degree in Business Administration, Thammasat University	December 2001 - Present	Assistant Director	RS Public Company Limited
	Internal Audit Department	- Bachelor degree in Accounting, Chulalongkorn University		Internal Audit Department	
		- Internal Auditing Certificate Program (IACP) by Thailand Federation of Accounting Professions (FAP) - Company Secretary Program (CSP) by Thai Institute of Directors (IOD) - Effective Minute Taking (EMT) By Thai Institute of Directors (IOD) - Participated in various training and seminar courses from the Federation of Accounting Professions, Institute of Internal Auditors of Thailand, Thai Institute of Directors (IOD), and The Stock Exchange of Thailand.	1993 - 2001	Assistant Manager	KPMG Phoomchai Audit Company Limited

2) Head of Corporate Compliance

The Company assigns the Company's Legal Affairs to act as a compliance unit and is responsible for supervising the business operations of the Company and the Group of companies in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies or other agencies related to the Company's business operations. The Company's Legal Affairs assigns the person whose name appears below to act as the head of corporate compliance of the Company.

Name-Surname	Position	Education Background / Training	Working Experience for the last 5 years		
			Period	Position	Company
Ms. Patcharee	Senior Manager	- Master of Laws	August 2019 - Present	Senior Manager	RS Public Company Limited
Maneetamwong	Commercial Registration & Stock Exchange Department	Chulalongkorn University - Bachelor of Laws Chulalongkorn University - Legal Practice Training, Lawyers Council - Training courses/seminars organized by the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, Thai Investor Association and the relevant government and private agencies	March 2008 - August 2019	Commercial Registration & Stock Exchange Department, Legal Affairs Legal Counsel, Asia Pacific	Brenntag Ingredients (Thailand) Public Company Limited

Details of asset appraisal

-None-

Code of Conduct Manual for RS Group of Companies

RS Group Business Ethics

The Company maintains policies and practices that exercise care and provide confidence, so that the RS Group of Companies may operate smoothly, as follows:

Ethics

RS Group strives to do the right thing, fulfilling its responsibilities with honesty and integrity under the law as well as the regulations of the Company. By adhering to this Code of Conduct in all activities and decision-making concerning RS Group matters, we will conduct our business with honesty, taking into account the risks that affect the Company.

Equality of Human Rights for All Stakeholders

The RS Group does not exclude or grant privileges or discriminate against any person on the basis of their race, nationality, religion, gender, age and educational background, including respecting their human rights.

Intellectual Property or Copyrights

RS Group maintains a policy to support the non-infringement of intellectual property or copyrights. In addition, RS Group is aware of the rights of various stakeholders and offers fair benefits to various stakeholders, including:

Corporate Social and Environmental Responsibility

RS Group has a Policy on Social and Environmental Responsibility that operates under ethical principles and good management. Being responsible for society and the surrounding environment, both near and far, leads to the sustainable development of a business that benefits the economy, society and the environment, while taking into account the duties and responsibilities that should be made to the nation, society and environment. This includes operating within the framework of the law and various rules – all with integrity, transparency and the spirit of giving back to society, while creating awareness among employees to be ethical citizens, fighting corruption, and having a sense of ownership, at the corporate and community level up to the national level. This is coupled with the management of the organization with

transparency and the development of employees' knowledge bases and skill sets. Moreover, such responsibility encompasses campaigns to save resources and energy, based on the principles of the Sufficiency Philosophy that creates balance, and includes promoting the practice of being a good person, to benefit the community and society, among employees and contractors at all levels. The latter includes regular participation in community and society-level activities that foster a positive internal culture and build a sustainable relationship with the community.

Customers

The RS Group is committed to distributing quality products and providing quality services to its customers in accordance with relevant laws and standards. It considers health, safety, fairness, safeguarding of customer data, after-sales service throughout the product and service lifecycle, and monitoring and measuring the satisfaction of customers for the improvement of products and services. This includes responsible advertising, public relations and promotion, without misleading or taking advantage of customers' misunderstandings, as well as strict compliance with agreements and providing service to, clarifying doubts and solving various problems for customers.

Shareholders

1. RS Group is managed with knowledge and capabilities, and with efficiency, to provide good performance while taking current and future risks in to account and generating appropriate returns to shareholders.

2. RS Group oversees and ensures that its performance has been reported and that the financial status of the Company, along with accurate and complete information, is disclosed to shareholders.

Employees and Contractors

RS Group views human resources as the catalyst that drives the organization to sustainable success; therefore, it must take care of human resources in a fair and appropriate manner, including: 1) remuneration that is fair and equal for those with the same knowledge base, qualifications and experience who are working at comparable functions and levels, and with the same responsibilities, within and outside the organization as well as on an individual basis; 2)

provision of benefits that helps provide stability in life such as health insurance, annual physical examination, Provident Fund, various subsidies, car parking, employee shuttle, and partnering with banks for home loans with lower interest than general payments; and 3) incentives such as bonuses to further motivate and drive employee performance.

Trade Partners and Creditors

RS Group stands firm in honesty and fairness to its trade partners, considering the best interests of the Company while having a fair procurement process and contract or agreement terms that are based on fair compensation for both parties. The Company avoids favoritism or situations that may cause a conflict of interest, adheres to and abides by the agreement terms and its responsibilities towards trade partners and creditors. This includes helping to educate, develop and enhance production and services to meet standards, to clarify and supervise trade partners to respect human rights and treat their own contractors fairly, and to be responsible for society and the environment, including monitoring, auditing and evaluating trade partners to develop sustainable business operations. In the event that the conditions of an agreement cannot be fulfilled, the Company will notify creditors in advance in order to jointly consider finding solutions; however, the Company has a liquidity management plan in preparation for the repayment of debts to creditors when payments are due. Moreover, the Company does not encourage fraud and bribery for the benefit of its business.

RS Group maintains the following criteria for selecting external trade partners / vendors / service providers:

- Quality of products and services
- Competence, expertise, proficiency and experience
- Trading policy
- Business reputation
- Financial status

Competitors

RS Group promotes a policy of free and fair competition, and treats competitors professionally to operating the business by disclose, transparent manner, without creating unfair competitive advantages.

Code of Conduct for Employees and Contractors

In order to comply with the business ethics of RS Group, guidelines have been established for employees and contractors to follow over the course of their work that are heavily based on virtue and honesty, as follows:

Safeguarding RS Group Assets

RS Group assets include all moveable property and real estate, as well as technology, technical knowledge, data, rights documents, rights, copyrights, patents, inventions and secrets of the Company.

Employees and contractors have a duty and responsibility to use the assets of RS Group with efficiency and to realize as much benefit as possible with take care not to get deteriorate or lost. In addition, RS Group assets shall not be used unless there is benefit created for RS Group; and may also not be used for individual benefit or for the benefit of others.

Protecting RS Group Interests

Employees and contractors shall not undertake any action that is directly or indirectly contrary to the interests of RS Group, such as engaging in any activities or actions that may cause RS Group to lose out on any benefits or gain fewer benefits than it should or dilute the benefits from RS Group.

Employees and contractors should not engage in any action or investment that become competition or may become competition for the Company's businesses, whether directly or indirectly.

Exploitative Use of RS Group's Information

Employees and contractors shall not seek benefits for themselves or others based on RS Group information or as others may understand as dependence on RS Group information, even though RS Group may not lose out on any benefits. Examples are the buying of shares of any

company in RS Group while the operating results are announced or paying dividends or any project or action that may affect the price of the securities or buying land for investing in businesses near an area where RS Group will build or expand its factory, offices or establishments. In a way that indicates to find benefits for oneself or others.

Non-Infringement of Intellectual Property or Copyrights

Employees and contractors are responsible for preventing the intellectual property or copyrights of the Company from being leaked. Also, they may not use the Company's intellectual property or copyrights for their own personal gain or for the benefit of any other person without permission, including not infringing on the intellectual property or copyrights of others, whether wholly or partially.

Protection of Personal Information of the Company

Employees and contractors are required to collect, use, disclose and store personal data in accordance with the law and Privacy Policy of RS Group.

Security of Data and Information Systems of the Company

Employees and contractors must be careful that papers, reports, personal data or confidential documents of RS Group are not leaked or disclosed without permission, which could cause damage to RS Group. In addition, they must not falsify papers, reports or documents of RS Group. The variety of documents should be prepared in honest, carefully and not misused in any illegal manner, including altering, duplicating, deleting or destroying RS Group data without permission. Employees and contractors must strictly comply with RS Group's Data Security and Cybersecurity Policy.

Benefit and Financial-related Matters for Those Conducting Business with RS Group

Employees and contractors shall not request, receive or accept money, goods or any other benefits from customers, trade partners, creditors, distributors, contractors and sellers of goods and services to RS Group, or any other person doing business with RS Group. In addition, employees and contractors should not be involved with such persons in financial matters such as joint ventures or business ventures, lending or borrowing money, collecting money, cashing

checks, buying goods on credit, buying and selling, renting or leasing or incurring any financial obligation.

Accepting Customary Gifts from Those Doing Business with RS Group

On traditional occasions where there is a custom of giving gifts, if the employees or contractors receives a gift from a person doing business with RS Group that is worth more than what people would normally give, the employee or contractor is required to report the gift to their supervisor so that they have discretion in taking appropriate action.

Other Work beyond that of RS Group

Employees and contractors must fully devote themselves and their time to the activities of RS Group. In the event that the employees and contractors are required to perform work other than that of RS Group, such work must not affect their regular duties. Employees and contractors must also report such work to their supervisors.

Maintaining RS Group's Reputation

Employees and contractors shall have the right to freedom of action in any matter of a personal nature, but some matters may affect RS Group. This may be due to the level of duties of the employees and contractors with the nature of the action. Therefore, employees and contractors should avoid any action that may affect the reputation or pose a problem for RS Group, for example:

Exercise of political rights

Employees and contractors shall enjoy the freedom to exercise their political rights, such as voting or being a member of a political party. However, if high ranking employees and contractors help political parties in election campaigns or serve as a director of a political party or represent a political party in public activities, such actions may lead to the understanding that RS Group is involved or interested in that political party's success. Employees and contractors should thus avoid such actions.

Social conduct

Employees and contractors should uphold their dignity and be accepted members of society.

Supervision of Inside Information Usage

RS Group has established rules and regulations for the use of the Company's inside information as follows:

(1) Employees and contractors of the Company must maintain confidential or inside information of the Company.

(2) Employees and contractors of the Company must not disclose any confidential and/or inside information of the Company or use it to seek benefits for themselves or for the benefit of any other person, either directly or indirectly, and whether or not such action will be rewarded.

(3) Employees and contractors of the Company must not trade or transfer or accept the transfer of securities of the Company by using confidential and/or inside information and/or enter into any other act by using the Company's confidential and/or inside information, which may cause damage to the Company, either directly or indirectly.

This requirement includes the spouse, or those who live together as husband and wife, parent, descendant, adopter of a child, adopted child, and siblings of the same parents, or siblings of the same father or mother of the Directors, Executives, employees and contractors of the Company.

Other Behavior and Treatment of Employees and Contractors

Giving and Receiving of Gifts

Despite the tradition of giving gifts on various occasions, RS Group employees and contractors should avoid giving gifts to supervisors or receiving gifts from subordinates.

Behavior and Treatment of Supervisors

Employees and contractors who are supervisors are expected to act in a respectful manner to employees and contractors, and employees and contractors should not act in any way that is disrespectful to supervisors.

Discipline

Discipline is a key factor in having many people work together effectively, by correctly adhering to laws, rules, regulations and good traditions, whether specified in writing or not, and being conscious about those actions.

Recommendations when Problems Arise

The business ethics of RS Group and the stipulated conduct of employees and contractors may not cover all the cases that may arise. Employees and contractors may therefore face various cases, especially new problems. Therefore, when there is a problem such in practice arise, employees and contractors should consult with their supervisors on any level or the Chief Operating Officer or the Director of Human Resources and General Administration or Assistant Director of Central Audit or the Audit Committee, depending on the case and the appropriate judgment required in each situation in accordance with the following criteria:

- (1) Behavior in accordance with the moral, legal and regulatory framework of RS Group
- (2) Behavior that promotes a good image and reputation, or credibility to RS Group/the employees or contractors themselves and others
- (3) Behavior that is socially acceptable and able to be disclosed freely

Supervision and Reporting

The Company determines that it is the duty and responsibility of all Directors, Executives, employees and contractors of RS Group to strictly know, understand and follow the RS Group Code of Conduct as set out in the Code of Conduct Manual of RS Group. They cannot claim that they do not know the established guidelines. Any employees or contractors who violates the Code of Conduct of RS Group will be deemed to have committed a serious offense, with possible penalties ranging from a verbal warning to dismissal.

In the event of a practice that may violate the Code of Conduct, all employees and contractors have the duty to report such violations to supervisors or Human Resources or Central Audit or the Audit Committee, depending on the case. Moreover, Executives and supervisors at all levels are responsible for monitoring, taking care and encouraging subordinates to comply with the specified Code of Conduct and behaving in a manner that sets a good example.

Revised and announced on March 1, 2021

Code of Conduct Manual for RS Group of Companies

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RS Group views human resources as the catalyst that drives the organization to sustainable success; therefore, it must take care of human resources in a fair and appropriate manner, including: 1) remuneration that is fair and equal for those with the same knowledge base, qualifications and experience who are working at comparable functions and levels, and with the same responsibilities, within and outside the organization as well as on an individual basis; 2)

provision of benefits that helps provide stability in life such as health insurance, annual physical examination, Provident Fund, various subsidies, car parking, employee shuttle, and partnering with banks for home loans with lower interest than general payments; and 3) incentives such as bonuses to further motivate and drive employee performance.

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- Trading policy
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Employees and contractors should not engage in any action or investment that become competition or may become competition for the Company's businesses, whether directly or indirectly.

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company in RS Group while the operating results are announced or paying dividends or any project or action that may affect the price of the securities or buying land for investing in businesses near an area where RS Group will build or expand its factory, offices or establishments. In a way that indicates to find benefits for oneself or others.

Non-Infringement of Intellectual Property or Copyrights

Employees and contractors are responsible for preventing the intellectual property or copyrights of the Company from being leaked. Also, they may not use the Company's intellectual property or copyrights for their own personal gain or for the benefit of any other person without permission, including not infringing on the intellectual property or copyrights of others, whether wholly or partially.

Protection of Personal Information of the Company

Employees and contractors are required to collect, use, disclose and store personal data in accordance with the law and Privacy Policy of RS Group.

Security of Data and Information Systems of the Company

Employees and contractors must be careful that papers, reports, personal data or confidential documents of RS Group are not leaked or disclosed without permission, which could cause damage to RS Group. In addition, they must not falsify papers, reports or documents of RS Group. The variety of documents should be prepared in honest, carefully and not misused in any illegal manner, including altering, duplicating, deleting or destroying RS Group data without permission. Employees and contractors must strictly comply with RS Group's Data Security and Cybersecurity Policy.

Benefit and Financial-related Matters for Those Conducting Business with RS Group

Employees and contractors shall not request, receive or accept money, goods or any other benefits from customers, trade partners, creditors, distributors, contractors and sellers of goods and services to RS Group, or any other person doing business with RS Group. In addition, employees and contractors should not be involved with such persons in financial matters such as joint ventures or business ventures, lending or borrowing money, collecting money, cashing

checks, buying goods on credit, buying and selling, renting or leasing or incurring any financial obligation.

Accepting Customary Gifts from Those Doing Business with RS Group

On traditional occasions where there is a custom of giving gifts, if the employees or contractors receives a gift from a person doing business with RS Group that is worth more than what people would normally give, the employee or contractor is required to report the gift to their supervisor so that they have discretion in taking appropriate action.

Other Work beyond that of RS Group

Employees and contractors must fully devote themselves and their time to the activities of RS Group. In the event that the employees and contractors are required to perform work other than that of RS Group, such work must not affect their regular duties. Employees and contractors must also report such work to their supervisors.

Maintaining RS Group's Reputation

Employees and contractors shall have the right to freedom of action in any matter of a personal nature, but some matters may affect RS Group. This may be due to the level of duties of the employees and contractors with the nature of the action. Therefore, employees and contractors should avoid any action that may affect the reputation or pose a problem for RS Group, for example:

Exercise of political rights

Employees and contractors shall enjoy the freedom to exercise their political rights, such as voting or being a member of a political party. However, if high ranking employees and contractors help political parties in election campaigns or serve as a director of a political party or represent a political party in public activities, such actions may lead to the understanding that RS Group is involved or interested in that political party's success. Employees and contractors should thus avoid such actions.

Social conduct

Employees and contractors should uphold their dignity and be accepted members of society.

Supervision of Inside Information Usage

RS Group has established rules and regulations for the use of the Company's inside information as follows:

(1) Employees and contractors of the Company must maintain confidential or inside information of the Company.

(2) Employees and contractors of the Company must not disclose any confidential and/or inside information of the Company or use it to seek benefits for themselves or for the benefit of any other person, either directly or indirectly, and whether or not such action will be rewarded.

(3) Employees and contractors of the Company must not trade or transfer or accept the transfer of securities of the Company by using confidential and/or inside information and/or enter into any other act by using the Company's confidential and/or inside information, which may cause damage to the Company, either directly or indirectly.

This requirement includes the spouse, or those who live together as husband and wife, parent, descendant, adopter of a child, adopted child, and siblings of the same parents, or siblings of the same father or mother of the Directors, Executives, employees and contractors of the Company.

Other Behavior and Treatment of Employees and Contractors

Giving and Receiving of Gifts

Despite the tradition of giving gifts on various occasions, RS Group employees and contractors should avoid giving gifts to supervisors or receiving gifts from subordinates.

Behavior and Treatment of Supervisors

Employees and contractors who are supervisors are expected to act in a respectful manner to employees and contractors, and employees and contractors should not act in any way that is disrespectful to supervisors.

Discipline

Discipline is a key factor in having many people work together effectively, by correctly adhering to laws, rules, regulations and good traditions, whether specified in writing or not, and being conscious about those actions.

Recommendations when Problems Arise

The business ethics of RS Group and the stipulated conduct of employees and contractors may not cover all the cases that may arise. Employees and contractors may therefore face various cases, especially new problems. Therefore, when there is a problem such in practice arise, employees and contractors should consult with their supervisors on any level or the Chief Operating Officer or the Director of Human Resources and General Administration or Assistant Director of Central Audit or the Audit Committee, depending on the case and the appropriate judgment required in each situation in accordance with the following criteria:

- (1) Behavior in accordance with the moral, legal and regulatory framework of RS Group
- (2) Behavior that promotes a good image and reputation, or credibility to RS Group/the employees or contractors themselves and others
- (3) Behavior that is socially acceptable and able to be disclosed freely

Supervision and Reporting

The Company determines that it is the duty and responsibility of all Directors, Executives, employees and contractors of RS Group to strictly know, understand and follow the RS Group Code of Conduct as set out in the Code of Conduct Manual of RS Group. They cannot claim that they do not know the established guidelines. Any employees or contractors who violates the Code of Conduct of RS Group will be deemed to have committed a serious offense, with possible penalties ranging from a verbal warning to dismissal.

In the event of a practice that may violate the Code of Conduct, all employees and contractors have the duty to report such violations to supervisors or Human Resources or Central Audit or the Audit Committee, depending on the case. Moreover, Executives and supervisors at all levels are responsible for monitoring, taking care and encouraging subordinates to comply with the specified Code of Conduct and behaving in a manner that sets a good example.

Revised and announced on March 1, 2021

Audit Committee Report
To Shareholders,
RS Public Company Limited

In 2020, the Audit Committee performed its duties in accordance with the Audit Committee Charter approved by the Board of Directors and encouraged all related practices to ensure good corporate governance. This included strengthening the conformity of transparency, ethics, and code of conduct compliance to create confidence towards shareholders, and other stakeholders. The financial statements of 2020 had been reviewed by the Audit Committee, Executives and the authorized auditors to ensure that the company's financial statements and financial data disclosure are entire, sufficient and meet the general accounting standard. The Audit Committee also suggested the improvements of internal control system to align the system with rules, and good corporate governance policies, especially those concerning with conflict of interest.

The Audit Committee also held meetings with external auditors and internal audit department in order to discuss the issues on risk assessment and prevention, audit results and the adequacy of the internal control systems. Moreover, the Audit Committee brought into close consideration the internal audit plans and major company's operations to ensure transparency and compliance with laws and regulations.

In 2020, the Audit Committee held 5 meetings, including those with external auditors without Executives or Management presence, in order to be well-informed all problems and concerns from audit findings. In addition, the Audit Committee has self-assessed the Audit Committee performance for 2020. Also, nominated PricewaterhouseCoopers ABAS Ltd. to be chosen as external auditor for 2021 upon closely considered the company's qualification, independence, experience and audit fee. This has been proposed to the Board of Directors for further approval in Shareholders' Meeting.

Mr. Phisit Dachanabhirom

Chairman of the Audit Committee

Board of Directors' Report
To Shareholders,
RS Public Company Limited

The Board of Director is responsible for the reporting of the consolidated financial statements on the Company and subsidiaries, contents of which have been consistently prepared with respect to the Thai generally accepted accounting standards where prudence are duly exercised and information disclosed in the notes accompanying the statements.

The Extraordinary General Meeting of Shareholders No. 1/2546 (2003) has approved an Audit Committee comprising independent directors who are not involved in the day-to-day operations to take responsibility over the quality of the financial reports and internal controls, which the Audit Committee's opinion was described in Audit Committee Report shown in this Form 56-1 One Report.

The Board of Director has considered that the Company has good internal control and has concurred with the Audit Committee, the Executives and the authorized auditors for the consolidated financial statements of 2020 on the Company and subsidiaries that the Company's the financial position and the result of operation presents fairly in conformity with generally accepted accounting principles.

Mr. Surachai Chetchotisak

Chairman and Chief Executive Officer



RS GROUP