

Company's financial statements and summary of management discussion and analysis from the 2022 annual report

Independent Auditor's Report

To the Shareholders of Mono Next Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Mono Next Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Mono Next Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mono Next Public Company Limited and its subsidiaries and of Mono Next Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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

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

Revenue recognition

The Group is principally engaged in both media and content businesses. As a result, the Group has a variety of revenues from sales of goods and rendering of services. The amount of the Group's revenue is significantly and directly affected its operating performance, to which users of financial statements pay attention. I have therefore focused on the Group's revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and expanding the scope of the testing of the internal controls with respect to revenue recognition
- On a sampling basis, examining supporting documents for actual sales and service transactions occurring during the year and near the end of the reporting period
- Reviewing credit notes that the Group issued after the period-end
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers

Impairment of assets

As at 31 December 2022, intangible assets and cost of spectrum license totaled Baht 2,155 million, representing 47 percent of the Group's total assets in the consolidated statement of financial position, as described in Notes 10 and 11 to the consolidated financial statements. Moreover, the Company had investments in subsidiaries and loans to subsidiaries amounting to Baht 4,098 million, representing 91 percent of total assets in the separate statement of financial position, as described in Notes 6 and 8 to the consolidated financial statements. Management's assessment was that there were indicators that these assets may be impaired. In determining the impairment loss, management had to exercise judgement with respect to the projections of future operating performance and plans for management of assets, and the determination of an appropriate discount rate and key assumptions, which directly affect the amount of allowance for impairment loss on such assets.

I gained an understanding of and assessed the assumptions applied in preparing plans and cash flow projections, based on

- Gaining an understanding of the process by which the figures were arrived at
- Comparing the assumptions with external and internal sources of information
- Comparing past cash flow projections with actual operating results in order to assess the exercise of management judgement in estimating cash flow projections
- Evaluating the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry

- Testing the calculation of the realisable values of the assets using the selected financial model
- Considering the impact of changes in key assumptions on realisable values, especially changes in the discount rate and long-term revenue growth rates
- Reviewing the disclosures made with respect to the impairment assessment for assets

Deferred tax assets for unused tax losses

As at 31 December 2022, the Group had deferred tax assets for unused tax losses amounting to Baht 299 million. The Group has disclosed its accounting policy and details relating to deferred tax in Notes 4 and 23, respectively, to the consolidated financial statements. A deferred tax asset is recognised when it is highly probable that the Group's taxable profit will be sufficient to allow utilisation of the deferred tax in the future. Determining whether there will be sufficient future taxable profit to utilise taxable losses requires significant management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax assets.

I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both external and internal sources, with particular consideration given to information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I compared past profit projections with actual taxable profits to assess the exercise of management judgement in estimating taxable profits. I also tested the calculation of future taxable profit based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits, especially in respect of long-term revenue growth. In addition, I reviewed the disclosures of information regarding temporary differences and unused tax losses for which deferred tax assets were not recognised by the Group.

Other Information

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

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

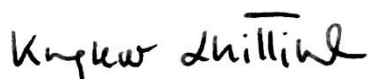
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 22 February 2023

Summary of Financial Statements

Statements of financial position of the Company and subsidiaries as of December 31, 2020 – 2022

Statements of Financial Position	As of December 31					
	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current assets						
Cash and cash equivalents	117.83	2.58	162.66	3.65	173.22	3.93
Trade and other receivables	706.46	15.45	529.90	11.89	244.71	5.55
Contract assets – accrued revenues	263.79	5.77	153.34	3.44	140.14	3.18
Inventories	0.09	–	1.97	0.04	8.09	0.18
Current tax assets	47.22	1.03	48.49	1.09	44.68	1.01
Prepaid expenses	6.54	0.14	8.77	0.20	7.39	0.17
Other current assets	56.79	1.25	45.53	1.02	40.64	0.92
Total current assets	1,198.72	26.22	950.66	21.33	658.87	14.94
Non-current assets						
Restricted bank deposits	81.14	1.77	99.76	2.24	66.85	1.52
Property, plant and equipment	560.33	12.26	602.32	13.51	652.40	14.81
Intangible assets	1,753.74	38.36	1,798.26	40.34	2,040.79	46.32
Cost of spectrum license	401.69	8.79	465.35	10.44	529.02	12.01
Deferred tax assets	430.34	9.41	441.61	9.91	364.29	8.27
Other non-current assets	145.59	3.19	99.53	2.23	93.87	2.13
Total non-current assets	3,372.83	73.78	3,506.83	78.67	3,747.22	85.06
Total assets	4,571.55	100.00	4,457.49	100.00	4,406.09	100.00

Statements of Financial Position (Continued)	As of December 31					
	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities						
Current liabilities						
Bank overdrafts and short-term loans from banks	183.61	4.01	141.85	3.18	155.02	3.52
Trade and other payables	1,019.31	22.30	802.78	18.01	497.30	11.29
Contract liabilities – unearned revenues	60.73	1.33	73.05	1.64	124.39	2.82
Short-term loans from an unrelated party	10.00	0.22	90.00	2.02	215.00	4.88
Current portion of long-term liabilities						
Long-term loans from banks	386.22	8.45	330.00	7.40	199.24	4.52
Cost of spectrum license and interest payable	–	–	–	–	227.67	5.17
Liabilities under finance lease agreements	4.01	0.09	7.48	0.17	15.81	0.36
Income tax payable	–	–	–	–	0.63	0.01
Derivative liabilities – foreign exchange forward contracts	24.00	0.52	1.28	0.03	–	–
Other current liabilities	65.13	1.42	47.41	1.06	25.09	0.57
Total current liabilities	1,753.01	38.34	1,493.85	33.50	1,460.15	33.14
Non-current liabilities						
Non-current accounts payable for purchases of assets	127.36	2.79	100.86	2.26	–	–
Long-term liabilities, net of current portions						
Long-term loans from banks	1.23	0.03	3.86	0.09	8.83	0.20
Lease liabilities	–	–	–	–	3.68	0.08
Deferred tax liabilities	–	–	–	–	3.68	0.08
Provision for long-term employee benefits	81.81	1.79	87.95	1.97	78.09	1.77
Total non-current liabilities	1,336.09	29.23	1,565.88	35.13	1,593.28	36.16
Total liabilities	3,089.10	67.57	3,059.73	68.64	3,053.43	69.30
Shareholders' equity						
Registered capital	381.81		381.81		347.11	
Issued and fully paid-up capital	347.11	7.59	347.11	7.79	347.11	7.88
Premium on ordinary shares	3,633.00	79.47	3,633.00	81.50	3,633.00	82.45
Differences on business combination under common control	(91.75)	(2.01)	(152.37)	(3.42)	(152.37)	(3.46)
Retained earnings						
Appropriated – statutory reserve	51.97	1.14	51.97	1.17	51.97	1.18
Unappropriated (deficit)	(2,457.88)	(53.76)	(2,481.89)	(55.68)	(2,527.11)	(57.35)
Other components of shareholders' equity	–	–	(0.06)	(0.00)	0.06	0.00
Total shareholders' equity	1,482.45	32.43	1,397.76	31.36	1,352.66	30.70
Total liabilities and shareholders' equity	4,571.55	100.00	4,457.49	100.00	4,406.09	100.00

Statement of comprehensive income of the Company and subsidiaries for the year ended December 31, 2020 – 2022

Statement of Comprehensive Income	Consolidated Financial Statements					
	For the year ended December 31					
	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue						
Revenue from contracts with customers	2,080.54	99.49	2,167.72	98.92	1,644.65	97.19
Other income	10.70	0.51	23.62	1.08	47.63	2.81
Total Revenues	2,091.24	100.00	2,191.34	100.00	1,692.28	100.00
Expenses						
Cost of sales and services	1,493.39	71.41	1,726.00	78.76	1,729.15	102.18
Selling and servicing expenses	154.07	7.37	97.95	4.47	163.32	9.65
Administrative expenses	268.80	12.85	296.15	13.51	342.08	20.21
Expected credit losses (reversal)	(0.14)	(0.01)	0.14	0.01	9.78	0.58
Loss on impairment of other non-financial assets	-	-	-	-	37.34	2.21
Total Expenses	1,916.12	91.63	2,120.24	96.76	2,281.67	134.83
Operating Profit	175.12	8.37	71.10	3.24	(589.39)	(34.83)
Share of profit (loss) from investment in an associate	-	-	-	-	(0.28)	(0.01)
Profit (loss) before finance cost and tax income (expenses)	175.12	8.37	71.10	3.24	(589.67)	(34.84)
Finance income	0.27	0.01	0.26	0.01	0.19	0.01
Finance cost	(94.08)	(4.50)	(108.17)	(4.94)	(120.32)	(7.11)
Loss before income tax	81.31	3.89	(36.81)	(1.68)	(709.80)	(41.94)
Income tax income (expenses)	(11.98)	(0.57)	82.03	3.74	48.30	2.85
Profit (Loss) for the year	69.33	3.32	45.22	2.06	(661.49)	(39.09)
Exchange differences on translation of financial statements in foreign currency	15.30		(0.12)		2.21	
Actuarial gain – net of income tax	-		-		0.27	
Other comprehensive income for the year	15.30		(0.12)		2.48	
Total comprehensive income for the year	84.63		45.10		(659.02)	
Profit attributable to						
Profit attributable to equity holders of the Company	69.33		45.22		(661.49)	
Profit for the year attributable to	69.33		45.22		(661.49)	
Loss per share						
Basic loss per share	0.020		0.013		(0.191)	
Loss attributable to equity holders of the Company	0.020		0.013		(0.191)	
Weighted average number of ordinary shares (million shares)	3,471.05		3,471.05		3,471.05	

Statement of cash flows of the Company and subsidiaries for the year ended December 31, 2020 – 2022

Statement of Cash Flows	Consolidated Financial Statements		
	For the year ended December 31		
	2022	2021	2020
	Million Baht	Million Baht	Million Baht
Net cash from operating activities	1,028.73	1,179.57	641.93
Net cash used in investing activities	(742.10)	(907.36)	(737.24)
Cash flows from financing activities	(331.46)	(282.65)	221.25
Increase (decrease) in translation adjustments	-	(0.12)	2.21
Net increase (decrease) in cash and cash equivalents	(44.83)	(10.56)	128.15

Key Financial Ratio

Financial Ratio	Consolidated Financial Statements		
	2022	2021	2020
Liquidity Ratio			
Liquidity Ratio (Time)	0.68	0.64	0.45
Quick Ratio (Time)	0.62	0.56	0.38
Cash Flow Liquidity Ratio (Time)	0.63	0.80	0.53
Account Receivable Turnover (Time)	2.54	4.08	4.67
Average Collection Period (Day)	143.53	89.51	78.18
Inventory Turnover (Time)	749.80	279.63	120.17
Average Sale Period (Day)	0.49	1.31	3.04
Payable Turnover (Time)	3.86	3.02	7.19
Average Payment Period (Day)	94.52	121.05	50.74
Cash Cycle (Day)	49.50	(30.23)	30.48
Profitability Ratio			
Gross Profit Margin (%)	28.22	20.38	(5.14)
Operating Profit Margin (%)	7.90	2.19	(38.73)
Other income to total income ratio (%)	0.51	1.08	2.81
Operating Cash Flows to Operating Profit Ratio (%)	625.64	2,484.43	(100.77)
Net Profit Margin (%)	3.32	2.06	(39.09)
Return on Equity (ROE) (%)	4.81	3.29	(39.32)

Financial Ratio	Consolidated Financial Statements		
	2022	2021	2020
Efficiency Ratio			
Return on Assets (ROA) (%)	1.54	1.02	(14.78)
Return on Fix Assets (ROFA) (%)	21.58	17.52	(85.28)
Total Assets Turnover (Time)	0.46	0.49	0.38
Financial Policy Ratio			
Debt to Equity Ratio (Time)	2.08	2.19	2.26
Interest Coverage (Time)	13.68	13.54	7.44
Interest-bearing debt per profit before interest expense, income tax, depreciation, and amortization	1.33	1.32	2.57
Cash Basic (Time)	2.20	2.61	1.13

Management Discussion and Analysis

Year 2022 uncertain situations occurred throughout the year, added pressures to the economy both locally and internationally; such as the evolution of the COVID-19 Pandemic, war conditions, higher energy costs and increased inflation. This impacted demands for advertising and the overall media industry. Despite these, the content business of MonoMax, still had good tendency and showed continued growth, adapting to the economic situations by offering contents that satisfied customers and arranging appropriate promotions to attract them. In addition, the company also paid special attention to improving and increasing efficiency in cost management. Success from strategic adjustments and implementing appropriate policies resulted in the continual growth in operating profit. The Company continuously also placed importance on sustainable business operations in all dimensions by establishing a sustainability working group to ensure tangible ESG operations. On the environmental management part, solar cells were installed to reduce electricity consumption and reduced greenhouse gas emissions. The Company believes that many uncertain situations will begin to ease, resulting in the economy returning to normalcy quickly, therefore each business segment can have sustainable growth.

1) Overview of Operation Results

Revenue

Total revenue of the Company and subsidiaries for 2022 amounted to 2,091.24 million Baht, compared to 2,191.34 million Baht in 2021, decreasing by 100.10 million Baht or 4.57 percent, with details summarized as follows:

Revenue	Consolidated Financial Statements			
	2022	2021	Increase (Decrease)	%
Sales and service income	2,080.54	2,167.72	(87.18)	(4.02)
Other income	10.70	23.62	(12.92)	(54.70)
Total	2,091.24	2,191.34	(100.10)	(4.57)

Sales and service income of the Company and subsidiaries for 2022 totaled 2,080.54 million Baht, compared to 2,167.72 million Baht in 2021, decreasing by 87.18 million Baht, or 4.02 percent. Details of sales and service income can be categorized in terms of business as follows:

Business	Consolidated Financial Statements			
	2022	2021	Increase (Decrease)	%
Media business	1,867.61	1,923.56	(55.95)	(2.91)
Content business and other businesses	212.93	244.16	(31.23)	(12.79)
Total	2,080.54	2,167.72	(87.18)	(4.02)

Revenue from media business comprising of the TV, online and subscription video on demand business of the Company and subsidiaries for 2022 was 1,867.61 million Baht, comparing to 1,923.56 million Baht in 2021, decreasing by 55.95 million Baht or 2.91 percent. The decline in revenue was mainly due to the overall slow economic recovery, which caused the advertising budget to remain stable. However, the content business of MonoMax trended continuous growth, in line with the growth of digital media.

Revenues from content business and other businesses comprising movie, entertainment, commerce and content management of the Company and subsidiaries in 2022 amounted to 212.93 million Baht, decreasing by 31.23 million Baht, or 12.79 percent from 244.16 million Baht of 2021.

Other income of the Company and subsidiaries in 2022 was 10.70 million Baht, compared with 23.62 million Baht in 2021, decreasing by 12.92 million Baht or 54.70 percent.

Cost, Expense, Financial Cost and Income Tax

Cost, expense, finance income, financial cost and income tax of the Company and subsidiaries in 2022 totaled 2,021.91 million Baht, compared to 2,146.12 million Baht in 2021, decreasing by 124.21 million Baht or 5.79 percent.

Details	Consolidated Financial Statements			
	2022	2021	Increase (Decrease)	%
Cost of sales and services	1,493.39	1,726.00	(232.61)	(13.48)
Selling and servicing expenses	154.07	97.95	56.12	57.29
Administrative expenses	268.80	296.15	(27.35)	(9.24)
Expected credit losses (reversal)	(0.14)	0.14	(0.28)	(200.00)
Total expenses	1,916.12	2,120.24	(204.12)	(9.63)
Finance income	(0.27)	(0.26)	0.01	3.85
Finance cost	94.08	108.17	(14.09)	(13.03)
Tax income (expenses)	11.98	(82.03)	94.01	114.60
Total	2,021.91	2,146.12	(124.21)	(5.79)

Cost of sales and services of the Company and subsidiaries in 2022 totaled 1,493.39 million Baht, compared to 1,726.00 million Baht in 2021, decreasing by 232.61 million Baht or 13.48 percent. The main reason being the reduction in amortized costs resulting from copyright management policy.

Selling and servicing expense of the Company and subsidiaries in 2022 totaled 154.07 million Baht, compared to 97.95 million Baht in 2021, increasing by 56.12 million Baht or 57.29 percent. The main reason being increased in advertising and public relations expenses resulting from a more proactive strategic approach that is changed from a budgeted approach of the previous year.

Administrative expenses were reduced, mainly from a more efficient cost control management.

Net Profit (Loss)

The Company and subsidiaries recorded the net profit for 2022 at 69.33 million Baht, comparing to net profit of 45.22 million Baht in 2021, profit increased by 24.11 million Baht or 53.32 percent.

2) Financial Status Analysis

Assets

The total assets of the Company and subsidiaries as of the end of 2022 amounted to 4,571.55 million Baht, increasing by 114.06 million Baht of 2021. This was in consequence of current assets increased in amount of 248.06 million Baht but non-current assets decreased in amount of 134 million Baht. An increase in current assets was mostly because trade and other receivables increased by 176.56 million Baht and accrued revenues increased by 110.46 million Baht. A decrease in non-current assets was mostly because intangible assets decreased by 44.52 million Baht and cost of spectrum license decreased by 63.66 million Baht.

Liabilities

As of the end of 2022, total liabilities of the Company and subsidiaries stood at 3,089.10 million Baht, increasing by 29.37 million Baht from 2021. The increase of liabilities was mainly due to an increase in trade and other payables of 243.03 million Baht. The reduction of liabilities came from the repayment of long-term loans from financial institutions of 191.30 million Baht.

Shareholders' equity

Shareholders' equity of the Company and subsidiaries as of the end of 2022 was 1,482.45 million Baht, increasing by 84.69 million Baht from 2021 which was mainly due to the 2022 profit of 69.33 million Baht and actuarial gain increased by 15.30 million Baht.

Investment Structure

As of December 31, 2022, the Company and subsidiaries recorded the total liabilities of 3,089.10 million Baht, accounting for 67.57 percent of total assets. Shareholders' equity was 1,482.45 million Baht, accounting for 32.43 percent of total assets. Debt to Equity Ratio was 2.08 times, decreasing by 0.11 times from the year 2020.

Profitability

As of December 31, 2022, the Company and subsidiaries' gross profit margin was 28.22 percent, increasing by 7.84 percent from 2021. Net profit margin was 3.32 percent, increasing by 1.26 percent from 2021. This is due to 2022 the Company and subsidiaries had increased operating profit.

Asset Management Ability

In 2022, the Company and subsidiaries' Return on Assets was 1.54 percent, increasing by 0.52 percent from 2021 and Total Assets Turnover in 2022 was 0.46 times which decreased by 0.03 times from the 2021. This is due to 2022 the Company and subsidiaries had increased operating profit.

Liquidity and Capital Adequacy

In 2022, the Company and subsidiaries' liquidity ratio was 0.68 times, increasing by 0.04 times from 2021. This was because the increase in current liabilities of the Company and subsidiaries. Quick Ratio was 0.62 times, increasing by 0.06 times from 2021.

In 2022, debt-to-equity ratio was 2.08 times, decreasing by 0.11 times from 2021. This is due to the Company and subsidiaries had increased shareholders' equity from increase in operating profit.

Liability Commitments

As of December 31, 2022, the subsidiaries had outstanding payment commitments in respect of service agreements amounting to 143 million Baht. The terms of the agreements were generally between 1 and 8 years.

3) Influence factors or unexpected circumstances greatly affecting financial status or the business operation

In 2023, the Thai economy remains uncertain in many factors, especially the global economy due to risks of economic slowdown and geopolitical risks that may affect many business sectors. However, the recovery of the Thai economy may be supported by growth in the tourism sector, affecting consumption and purchasing power of the private sector. The company thus believes that the Thai economy will recover quickly. The company continues to focus on creating new customer bases and retaining existing customers by emphasizing on pricing strategies and sales promotion, as well as improving the quality of products and services to meet the needs of customers. In addition, the Company is under development in applying new technologies appropriately to link ecosystems within the group for business value added and increase in marketing efficiency.