

Internal Control

Recognizing the importance of an internal control system, the Board of Directors has put in place an internal control system that governs the financial, management and operational aspects for greater effectiveness and efficiency in accordance with related laws and regulations. Meanwhile, an emphasis is placed on continuous improvement according to COSO (The Committee of Sponsoring Organizations of Treadway Commission) with respect to organizational and control environment, risk assessment, control activities, information and communication and monitoring activities.

The Board of Directors has clearly defined in writing good Corporate Governance & Code of Ethics policy and the structure the duties and approval authority for the Management, and has controlled and ensured an efficient utilization of the Company's assets. To maintain proper checks and balances, the roles and duties of front-line operators, supervisors and evaluators are clearly delineated. In addition, the Company ensures that there is a financial reporting to those in the direct line of responsibility and provide communication channel for various stakeholders and receiving complaints (Whistleblower) clearly.

There is also the Audit Committee, which was appointed by the Board of Directors, by the Stock Exchange of Thailand's guidelines which currently consists of 4 independent directors and the Senior Director of Internal Audit Department acts as Secretary of the Audit Committee. The Audit Committee has the duties and responsibilities of auditing financial statements, disclosure of the financial reports and related transactions or any matters with conflicts of interest to be accurate, complete, reliable, and coordinate with the Internal Audit Department, auditors and management of the Company to review the internal control system and ensuring compliance with the relevant laws and regulations, as well as, to consider and approve an audit plan, performance evaluation and compensation of the Internal Audit Department, including selection and appointment of the auditor and audit fee. The Audit Committee shall also perform other duties as assigned by the Board of Directors and conduct self-assessment to evaluate their performance to ensure that the Audit Committee has performed their duties effectively and completely.

The Board of Directors has implemented the Assessment Form of the Securities Commission as a guideline to assess the adequacy of the internal control systems of the Company and subsidiaries and reporting the assessment results to the Board of Directors' meeting on a yearly basis. The assessment results are also to be disclosed in the Company's annual registration statement (Form 56-1 One Report) and annual report.

All Board of Directors members and the Management had collaboratively evaluated the sufficiency of internal control during 2024. The Board of Directors' Meeting on February 26, 2025, comprising of the Board of Directors, the Audit Committee and the Management convened a meeting for the adequacy of the internal control systems of

the Company and its subsidiaries as set up by the Management in five areas, namely, internal control, risk assessment, operation control, information and communication system and monitoring system. The Board of Directors and the Audit Committee shared the same opinion that:

“In general, the internal control system of the company and its subsidiaries was adequate and appropriate to the business operations of the Company. In addition, the Company has provided adequate personnel to follow the system effectively, as well as the internal control system for monitoring the operations of the subsidiaries in order to protect the assets of the Company and the subsidiaries from wrongful action of the directors and executives including transactions with persons who may have a conflict of interest and related persons. The Committee and the Management recognized the importance of good corporate governance, internal control and continuous risk management, which would ensure good corporate governance principles of company, acceptable level of internal control and risk management, accurate and reliable accounting and financial reporting practices, together with compliance with the laws, the rules or announcements of the SET and regulations related to the Company’s businesses.”

Head of Internal Audit Department

The Company appointed Mr. Wichai Santadanuwat as a Secretary to the Audit Committee and Head of Internal Audit Department. The Audit Committee has considered and agreed that Mr. Wichai Santadanuwat has experience in performing the audit of the Company’s including an understanding of the activities and operations of the Company as well, so that it is appropriate for him to perform such functions.

The appointment, termination, and transfer, as well as performance evaluation and compensation for the Head of Internal Audit Department must be approved by the Audit committee. The qualifications of Head of Internal Audit Department appear in the attachment.

NOTE: Details of the Head of Internal Audit appear in "Details about the Head of Internal Audit".

Risk Management

Risk Factors

The Board of Directors has placed high importance on risk management processes at both corporate and operational levels in line with the risk management policy and framework formulated by the Group to mitigate risks to be at an acceptable level, suitable to the environment of each business unit’s nature of working or activities. The management and staff at all levels are encouraged to take part in the processes and risk management systems are put in place across the organization and instilled as part of the Group’s culture, while the Risk Management and Internal Control Department is

assigned to develop risk management systems in accordance with international practices and integrate risk management practices at each level with all related departments under the supervision of the Risk Management Committee. Besides, the Group's management has well implemented the risk management practices, including risk management follow-up and reporting to the Board of Directors on a regular basis.

In 2024, the Group has improved strategies in various areas on a continued basis, aiming to manage risks that may arise in both new and core businesses of the Group, such as preparation on production technologies and capital funds, improvement of organizational structures and work processes, and human resources development at high and middle levels in support of the Group's business management team in response to rapid business growth.

Corporate Risk

1. Risk from the Business Operation by Investing in Other Companies.

The Company has restructured its business operation by investing in other companies (Holding Company). Currently, the Company invests in many subsidiaries, which are the core business in the investment in O Shopping Company Limited, operating in the home shopping business, having an investment of 100%. The investment in The One Enterprise Public Company Limited, directly and indirectly, is 37.23% and investing in GMM Music Public Company Limited, which operates in the music business and others related business having an investment of 88.50%. As the Company does not operate other businesses by itself, its performance is entirely dependent on the operational results and dividends from its subsidiaries. Therefore, if the subsidiaries perform well, the Company's performance will improve accordingly. Conversely, if the subsidiaries underperform, it will negatively impact the Company as well. The company has established governance policies for its subsidiaries and affiliates to enable the Company to oversee and manage the operations of its subsidiaries and affiliates, as well as monitor their management and operations to protect the company's investment interests. The Company also recognizes the risks associated with investing in these subsidiaries by conducting feasibility analyses and assessing the potential of future projects, including risk factors related to new investments. Investment plans of subsidiaries are presented to the board of directors for consideration, along with recommendations to mitigate potential investment risks. In overseeing subsidiaries, the company appoints directors or executives with appropriate qualifications and experience in business operations to act as representatives in managing the subsidiaries, defining key policies, and controlling their business operations.

2. Financial Risk

After the company restructured its business operations to focus on investing in other companies (Holding Company), the Company's performance depends entirely on the operational results and dividends from its subsidiaries. The Company may face financial risks related to capital management and liquidity.

The group of companies has planned to secure sufficient, appropriate, and balanced funding sources to cover expenses and investments, maximizing benefits for the Company to support its strategy of being a leader in the comprehensive entertainment business. The Company regularly reviews the group's cash flow projections and plans to obtain suitable funding from various sources based on financial and capital market conditions at different times, aligning with investments in various projects. For example, securing short-term loans for working capital, obtaining long-term loans, or sourcing long-term funding for investments. Additionally, the Company monitors interest rate fluctuations and manages such risks by repaying loans to reduce interest burden and ensure appropriate liquidity for efficient operations in line with the company's strategy.

3. Risk from Technological Change and Rapid Consumer Behavior

Currently, technology and consumer behaviours are rapidly changing, which significantly impacts the group's business operations. The group has adjusted its internal processes and corporate structure to create products and services that better meet the needs of each target consumer group. Additionally, the company ensures communication through all channels to reach and connect with target customers as effectively as possible.

The changes in technology and consumer behaviours affect the group's internal processes. Therefore, there is a risk that the group may not be able to adjust its internal processes quickly enough to keep up with these rapid changes.

The group manages this risk by studying consumer behaviours and monitoring technological changes to offer products and services that best meet customer needs. This approach aims to ensure the group's stable and sustainable business growth. The group regularly reviews policies, plans, and monitors results to continuously improve and develop processes to remain competitive and responsive to consumer demands.

4. Risk from Changes in Laws, Rules and Regulations (Compliance Risk)

Changes in laws, regulations, and rules of regulatory authorities, including government policies, may impact the group's business operations. For example, the Personal Data Protection Act B.E. 2562 (2019), as well as corporate restructuring, which involves rules, regulations, and qualifications for companies operating as a holding company.

The company manages this risk by studying and monitoring changes in laws, regulations, and rules from regulatory authorities, as well as relevant government

policies on a regular basis. The Company oversees its business operations and activities to ensure compliance with laws, regulations, and rules set by regulatory authorities, including government policies to ensure that the company's operations align with legal requirements, regulations, and policies established by the government.