

ANNUAL REPORT 2016
Far East DDB Public Company Limited

The Leader in Creative Business Solutions

Sustainability is the essence of true success.

Because our goal has always been sustainable success, our creativity is shaped by the following principles.

We must take our customers' success to heart before starting any project.

We must have a complete understanding of our customers' business goals.

We must have a 360 degree view of the consumers' needs and wants.

We must tailor a unique strategic framework that answers the brief.

When every element combines and works together seamlessly, we are able to create permanent value for our customers' brands in the form of a lasting emotional bond between consumer and product.

CONTENTS

Report from the Board of Directors

Report of the Audit Committee

Report of the Risk Management and Anti-Corruption Committee

Summary of Important Financial Information

Business Group

- Policy and Business Overview
- Nature of Business
- The Clients and the Products
- The Risk Factors
- General Information and Important Information
- Shareholders
- Dividend Payment Policy
- Structure of Management
- Corporate Governance
- Social and Environmental Responsibility
- Internal Control and Risk Management
- Inter-Company Transactions

Financial Status

- Analysis and Description of the Management
 - Report of the Board of Directors' Responsibilities for the Company's Financial Statements
- Financial Statements & Consolidated Financial Statements

Recognitions

- Our Work
- Our CSR

More information for investors in the company's Annual Registration Statement (Form 56-1) listed in www.sec.or.th or the company's website www.fareastddb.com

REPORT FROM THE BOARD OF DIRECTORS

2016 was a year of continued economic uncertainty for the advertising industry. Seismic events on the local and international stage caused a slowdown in all areas of advertising spending. As a result, ours' and our subsidiaries' businesses achieved total revenues from services and commissions of 739.97 million Baht, an increase from 2015 of 2.62 million Baht or 0.35 percent, and a net profit of 115.58 million Baht, an increase from 2015 of 5.42 million Baht, or 4.92 percent. It can be considered a strong result in the face of such uncertainty.

Nonetheless, both the management and employees remain firmly committed to quality growth. We continue to develop and hone our creative and strategic performance while showing total dedication to working at maximum capacity. In addition, we continue to successfully increase our new business portfolio while expanding into new markets, in line with global changes.

The Company would like to express its gratitude to all our shareholders, customers, suppliers, employees, business partners and stakeholders who stood by our side during a year of difficult circumstances. We will continue to operate according to the principles of good corporate governance – absolute transparency, conducting business on good faith and a robust policy on anti-corruption – which we firmly believe creates a strong foundation for continued sustainable success.

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders of Far East DDB Public Company Limited

The Audit Committee of Far East DDB Public Company Limited was appointed by the Company's Board of Directors Meeting No.212(2/2016) on June 23, 2016 with four independent, non-executive members: Mr. Khachornsakdi Vanaratseath as Chairman of the Committee, Mr. Amorn Asvanunt, Mr. Vichit Tantianunanont and Mrs. Chattong Tippayakalin as directors to the Committee, and Mrs Suree Muennarintr is the Committee's secretary. Their term ends in one year.

In 2016 the Audit Committee had a total of four meetings.

1. Mr. Khachornsakdi	Vanaratseath	attended	4/4	meetings
2. Mr. Amorn	Asavanunt	Attended	3/4	meetings
3. Mr. Vichit	Tantianunanont	Attended	4/1	meetings
4. Mrs. Chattong	Tippayakalin	Attended	4/4	meetings

In carrying out its tasks and duties throughout 2016, the Audit Committee held a total of our meetings, including meetings with auditors, the management, Accounting Managers and Internal Audit Department. During these meetings, they discussed issues that could significantly affect the company's financial statements, as well as collected suggestions from the auditors and followed up on the progress of Internal Audit. The following summary outlines what have been done during these meetings according to the Charter of the Audit Committee.

1. Review the important information of quarterly and yearly financial reports as of 2016 . The committee was in the meeting with management, accounting department, internal and external auditors to review the important financial report, including issues related to critical accounting policies, changes in the past year and potential impact in the future, abnormal transactions, observation and opinion of auditors on financial report, financial statement and the performance of the company and its subsidiaries in order to ensure that such Information are accurate, complete and reliable. The preparation of financial statements is in accordance with generally accepted accounting standards. The disclosure of financial statements is adequate and did not find any items that may have a substantial impact on the financial statements.

2. Review the connected transaction. The Audit Committee has reviewed the connected transaction in comply with the laws and regulations of the SET and the SEC on disclosure of information and other acts of listed companies concerning the potential conflict of interest. The Committee is of the opinion that the transaction was conducted under normal commercial terms. There is no reasonable conflict of interests, no unusual transaction and there is adequate disclosure of information.

3. Appoint the auditors of the Company for the year 2016. The Audit Committee has considered the appointment of auditors considering from the independence, ability, experience, performance and the remuneration of the auditor. The Company and its Affiliates presented to the Board of Directors to consider and the Annual General Meeting of Shareholders. The meeting approved the nomination of the following people as auditors for the 2016 fiscal year: Mr. Atipong Atipongsakul C.P.A. (Thailand) Registration No.3500. An/or Mr. Sathien Vongsnan C.P.A. (Thailand) Registration No. 3495. And/or Miss Kultida Pasurakul C.P.A. (Thailand) Registration No. 5946 of ANS Audit Co., Ltd. These individuals possess the following qualities :

- They are qualified professionals with sufficient independence to express their opinions on the Company's financial statements. They are not connected to or hold a stake in the Company, its executive officers, its majority shareholders, or any person connected to the Company.
- They have good professional standards and have proven their expertise in auditing.
- They are capable of giving clear suggestions and consultations on new accounting standards.

4. Review the internal control system. The Audit Committee has reviewed the Company's internal control system and its affiliates for the year 2016 and has found that it is adequate and appropriate to run the business. There are no significant issues that could affect the Company's operations.

5. Supervise internal audit control. The Audit Committee has considered the approval of the audit plan of the Internal Auditor for the year 2016 and has given the recommendations of the internal audit to achieve the plan which includes a check fraud and corruption according to the company's policy against fraud and corruption.

6. Review the implementation of the law. The Audit Committee has reviewed and supervised the Company and its affiliates' operation to comply with the law and regulation of Securities and Exchange Commission of Thailand and related law to the Company's business.

7. Review and update the Audit Committee Charter. In consideration of the Charter and offer more scope of duty to review and manage risk in line with its current duties.

8. Report the issue that was in doubt. The Committee is responsible for reporting to the Board of Directors when they found or suspect the item that which may have a significant impact on the financial position and the company's operations. The committee did not find any indication of such issue in 2016.

9. Review the risk management. The Committee received the report on activities or circumstances that may affect the company's operation from the risk management committee. They often has the follow-up, risk assessment of the situation and measurement for risk reduction regularly in order to have adequate and efficient risk management, according to company policy.

Overall in 2016, the Audit Committee has performed its duties with diligence, independence and without restriction in the line of duty. The committee gets information and cooperation from all parties involved to perform its duties efficiently under the Charter of the Audit Committee appointed by the Board of Directors.

On behalf of the Audit Committee

(Mr. Khachornsakdi Vanaratseath)
Chairman of the Audit Committee

REPORT OF THE RISK MANAGEMENT AND ANTI-CORRUPTION COMMITTEE

Dear Shareholders of Far East DDB Public Company Limited,

The Company is aware of risk management and anti-corruption policy as they have direct impact on the business operation. The Company has assessed the risk of operation, business conduct and anti-corruption to follow and manage potential risks that may occur and prevent incidents that could affect the business. The administration is transparency, ethics and has good corporate governance. Last year, the company has announced its intention to fight against all types of corruption and appointed the Risk Management and Anti-Corruption Committee which consisted of : Mr. Vichit Tantianunanont, Chairman of the Risk Management and Anti-Corruption Committee, Mrs. Chailada Tantivejakul, Mrs. Malee Leelasiriwong, Mr. Arthorn Maeknoparat, Mr. Wichar Ladallisakool, Miss Waraporn Kulsawatpakdee, Mrs. Suree Muennarintr, Mr. Anupol Pawapoonpol as the members of the Risk Management and Anti-Corruption Committee. Miss Sujittra Makanit as a secretary to the Risk Management and Anti-Corruption Committee, with a one-year term.

In 2016, The Risk Management and Anti-Corruption Committee held 4 meetings as below :

Mr. Vichit	Tantianunanont	meeting attending 4/4 times
Mrs. Chailada	Tantivejakul	meeting attending 3/4 times
Mrs. Malee	Leelasiriwong	meeting attending 3/4 times
Mr. Arthorn	Maeknoparat	meeting attending 3/4 times
Mr. Wichar	Ladallisakool	meeting attending 4/4 times
Miss Waraporn	Kulsawatpakdee	meeting attending 3/4 times
Mrs. Suree	Muennarintr	meeting attending 4/4 times
Mr. Anupol	Pawapoonpol	meeting attending 3/3 times

The Risk Management and Anti-Corruption Committee has set the guidelines of management and review the Company's risk management framework according to the policy and risk management procedure. Their roles are based on The Charter of the Risk Management and Anti-Corruption to suggest guideline of efficient risk management to continuously support and develop the risk management at all levels throughout the organization. The Company will push the risk management control as the organizational culture as announced in its intention.

The Risk Management and Anti-Corruption Committee has duties and responsibilities assigned as follow:

1. To Plan, target and set up clear and efficient risk management system in the company to manage the major risks and acknowledge to the Board of Directors and the Audit Committee.
2. To support and encourage the cooperation for risk management at all levels in the organization.
3. To ensure that the company's risks are controlled appropriately and efficiently by placing emphasis on the risk warning system and any other abnormal transaction.
4. Develop the risk management system in the organization to ensure that it is efficient and consistent.
5. To improve and amend the Risk Management Committee Charter and propose it to accordance with the change of business. And presented to the Board for consideration.
6. To engage in other actions as assigned by the Board of Directors.

In summary, for the year 2016, the Risk Management and Anti-Corruption Committee have meetings about the risks that could affect the entire organization. The committee has assessed the risks covering all aspects and continuous manage risks in line with changing circumstances to solve the urgent

problem on time. The company's risk management system is effective and appropriate and being controlled to an acceptable level.

(Mr. Vichit Tantianunanont)
Chairman of the Risk Management and Anti-Corruption Committee

SUMMARY OF IMPORTANT FINANCIAL INFORMATION

	(Unit : Thousand Baht)		
CONSOLIDATED FINANCIAL STATEMENTS	2016	2015	2014
Revenue from service & commission	739,966	737,352	731,553
Total Revenue	831,486	823,726	808,669
Gross Income	326,717	326,400	305,230
Net Profit before Interest & Income Tax	135,098	128,113	84,824
Net Profit	115,584	110,165	73,702
Total Assets	1,649,266	1,453,040	1,363,275
Total Liabilities	548,121	437,282	405,183
Shareholders' Equity	1,101,145	1,015,757	958,092
<u>FINANCIAL RATIO</u>			
<i>LIQUIDITY RATIO</i>			
Liquidity Ratio (times)	1.72	1.8	1.93
Quick Liquidity Ratio (times)	1.71	1.79	1.88
Cash Flow Ratio (times)	0.25	0.4	0.26
Customer Turnover Ratio (times)	4.32	4.93	4.52
Average Collection Period (Days)	84	74	81
Payable Turnover Ratio (times)	3.18	3.68	3.66
Average Payment Period (Days)	115	99	98
<i>PROFITABILITY RATIO</i>			
Gross Income (%)	44.15	44.27	41.72
Return on Revenue from service & commission = EAT/REV (%)	15.62	14.94	10.07
Return on Total Assets = EAT/TA (%)	7.45	7.82	5.52
Return on Shareholders' Equity = EAT/EQUITY (%)	10.92	11.16	7.87
Earnings Per Share (Baht)	14.1	13.61	9.08
Cash Dividend Per Share (Baht)	*7.00	6	5
Book Value Per Share (Baht)	147.23	135.81	128.1

*According to the Board of Directors' Meeting, a proposal has been made to the Ordinary Meeting of Shareholders for approval in April, 2017

BUSINESS GROUP

POLICY AND BUSINESS OVERVIEW

Far East DDB and its One Stop Communication subsidiary conduct business, which is mutually complementary with One Stop operating primarily in a consultancy capacity as outlined below:

One stop communication consultant service

The Company specializes in integrated communications. It aims to build on the success of its clients with creativity, as its positioning as “The Leader Creative Business Solutions”, covering the analysis based on fundamental study of key factors that could affect the brand, aided by the use of global DDB licensed tools, known as Brand Conviction Springboard. and ROI Springboard.. Brand Conviction Springboard. is one of the Company’s proprietary tools that has been developed to help give a brand a clear future direction and provide guidelines for all actions, while ROI Springboard. provides guideline for communication planning. The Company provides services in creating the advertising materials and media planning strategy both traditional and digital media, including coordinating with other subsidiaries and associates to create public relations plan and events. Moreover, the Company also provides market and consumer with quantitative and qualitative research and observation by the professional research team through Far East DDB Insights Springboard., another company’s proprietary tool.

Production Advertising-related services

The Agencies provide services in creating and producing advertising films and radio spots, creating layouts and producing print ads, direct mails, brochures, digital media etc. according to the communication plan as well as coordinate with production supplies. It includes coordinating with other subsidiaries and associates to create public relations plan and events for customers

Advertising agent/broker

Acting as agent or broker, the Agencies deal with media owners such as television, radio, newspaper, cinema, digital media and magazine for media placements. A commission-based payment in the form of Agency Fee is earned in the process.

Major Change and Development in 2016

-None-

The Far East DDB Group

Far East DDB Public Company Limited

These days Far East DDB Public Company Limited has become much more than just an advertising agency. It has become a major totally integrated marketing communication consultant. Its services focusing on supporting customers to achieve business success through the effective communication plan and creative work. These operations include product, market and consumer analysis, strategic planning to define the concept of communication, advertisement production, effective planning and purchasing of media. This will also involved working and coordinating with other media companies as well as evaluating the total marketing communication plan. The Company clearly determined its positioning as “The leader in Creative Business Solutions”, to build on the success of its clients with creativity.

Fame Line Company Limited

Fame Line Co., Ltd. is a subsidiary of Far East DDB Plc. It is a medium-sized, full-serviced brand engagement agency, established for business competitiveness and growth. Fame Line provides comprehensive marketing communication services both off-line and on-line media including strategic brand planning, creation of advertising materials and brand activation, planning and purchasing of media, as well as digital services ranging from digital strategy and planning, design and social network creation. At best, Fame Line Co., Ltd. commits to generate best results to our clients' needs by working closely with clients, and intently focusing to provide best business solutions possible. Adherence to advertising professional codes, ethical conducts and social responsibility is, however, highly important in our mindset and daily operation. Due to Fame Line's absolute independency from Far East DDB Plc., our account management is highly flexible, enabling the Company to extensively engage and respond to a variety of today's business demands.

Springboard Plus Company Limited

Springboard Plus Co., Ltd. is established as a subsidiary of Far East DDB Plc. with registered capital 6,511,000 baht, with 99.99% investment rate by Far East DDB. The Company provides service in creating and producing public relations and advertising materials with quality and professional service in reasonable price to respond to customers who need differentiated solutions in the changing and highly competitive situation nowadays and in the future.

Business Goals

1. The Company focuses on creating an efficient communication service to help our customers achieve their business goals. One of our working tools is ROI..

- | | |
|-----------------|---|
| R (Relevance) | the idea that meets the consumers' needs. |
| O (Originality) | an original concept like no other. |
| I (Impact) | a concept that has resulted in consumers' feedback. |

2. The Company focuses on providing effective consulting and integrated marketing communications service, covering branding, strategic planning, communications, advertising, public relations and customer relationship management (CRM).

3. The Company has a policy of acquiring new customers constantly. The study and management of these new clients makes our employees more expertise in a wider variety of goods and services.

4. The Company is committed to acquire excellent talent and consistently develop its existing employees as we believe that good personnel can create quality work that led to the company's growth.

5. The Company realizes the importance of adapting to the rapid changing situation of the advertising and communications industry. Therefore, the company focuses on developing the organization and it's employee's capacity to cope with such changes in order to continue growth and outstanding performance.

Relationship with major shareholders.

The Company's core business operation has no significant relationship or connection with other business operations of the Company's major shareholders. Only some shareholders use the advertising service from the Company.

NATURE OF BUSINESS

Shareholding & Revenue Structure of The Company / Subsidiary and Associated Companies (Unit: Thousand Baht)

Product / Service	Operation by	% of Share holding	2016		2015		2014	
			Revenue	%	Revenue	%	Revenue	%
Advertising Agency	Far East DDB Plc.							
Revenue from Service & Commission			285,041	77.60	302,233	80.96	328,320	83.35
Dividend Income			54,236	14.76	43,732	11.71	41,216	10.46
Other Income			28,060	7.64	27,345	7.33	24,348	6.19
Total Revenue			367,337	100.00	373,310	100.00	393,884	100.00
Advertising Agency	Fame Line Co., Ltd.	86.48						
Revenue from Service & Commission			319,943	92.36	320,356	93.02	292,755	93.28
Other Income			26,484	7.64	24,021	6.98	21,097	6.72
Total Revenue			346,427	100.00	344,377	100.00	313,852	100.00
Advertising Agency	Springboard Plus Co., Ltd.	99.99						
Revenue from Service & Commission			11,774	99.99	11,922	99.99	-	-
Other Income			1	0.01	1	0.01	748	100.00
Total Revenue			11,775	100.00	11,923	100.00	748	100.00
Public Relations	Integrated Communication Co., Ltd.	40.00						
Revenue from Service & Commission			132,068	99.36	112,698	98.82	110,960	98.94
Other Income			848	0.64	1,343	1.18	1,191	1.06
Total Revenue			132,916	100.00	114,041	100.00	112,151	100.00
Media Buying, Selling & Planning	Media Intelligence Co., Ltd.	33.33						
Revenue from Service & Commission			111,967	32.44	135,630	38.41	138,379	41.88
Discount Received			228,453	66.19	208,898	59.16	189,305	57.29
Other Income			4,734	1.37	8,565	2.43	2,738	0.83
Total Revenue			345,154	100.00	353,093	100.00	330,422	100.00
Advertising Agency	Diginakorn Co., Ltd.	40.00						
Revenue from Service & Commission			5,846	97.89	-	-	-	-
Other Income			126	2.11	-	-	-	-
Total Revenue			5,972	100.00	-	-	-	-

Note : Media Intelligence Co.,Ltd. restated the accounting.

THE CLIENTS AND THE PRODUCTS

Bangkok Athletic Co., Ltd.
Bangkok Broadcasting & TV. Co., Ltd.
Bank of Thailand
DHASiamwalla Ltd.
Esso (Thailand) Plc.
Globiz Venture Co., Ltd.
I.C.C. International Plc.
Interlink Communication Plc.
Johnson & Johnson Consumer (Thailand) Ltd.
Krung Thai Bank Plc.
Lion Corporation (Thailand) Ltd.
NS Blue Scope (Thailand) Limited
Pacific Sugar Corporation Co., Ltd.
Pepsi-Cola (Thai) Trading Co., Ltd.
President Bakery Plc.
Saha Pathanapibul Plc.
Siam Sanitary Ware Industry Co., Ltd.
Srinanaporn Marketing Co., Ltd.
T.C. Pharmaceutical Industrial Co., Ltd.
Thai Ceramic Co., Ltd.
Thai President Foods Plc.
The Siam Sanitary Fittings Co., Ltd.
The Street Retail Development Co., Ltd.
Unilever Asia Co., Ltd.

Food & Beverages

Aquafina Vitz
Farmhouse Bakery
Jele
Kratingdang Extra Energy Drink
Lipton Ice Tea
Mama Instant Noodle
Mama Jok Cup
Mama Oriental Kitchen
Mama Ramen
Mitrphol Sugar
Mont Fleur Mineral Water
Ready Energy Drink
Richesse Yogurt
Rivon Soygurt
Starr Infiniti
Wall's

Apparel & Personal Accessories

Arrow Apparel Products
Lacoste
Pan Sport Shoes
PS.Junior Shoes
Wacoal Lingerie

Household Products Personal Care

108 Shop Detergent
BSC Cosmetology
Clean & Clear Facial Care Products
Falless Shampoo
Fresh & Soft
Hi-Class Softener
I Knew Anti Stretch Mark Cream
Kodomo Baby Products
Lipon F Dishwashing Liquid
Neutrogena Facial Care Products
O'lean Shampoo

Construction Materials & Consumer Durables

BluescopeZacs Metal Sheet
Cotto Faucet
Cotto Sanitary Ware
Cotto Tiles
JingjoeLek Metal Sheet

Stationery

Elephant Correction Pen / Elephant File
MasterArt Color Pencil
Quantum Clutch-Type Pencil / Quantum Correction Pen
/Quantum Pen

Service

Bank of Thailand
Krung Thai Bank Product & Services

Others

Ch7 HD
Esso
La-Z-Boy Chairs
Link LAN cable
The Street

THE RISK FACTORS

The company realizes the importance of risk management in operating the business under the changes of internal and external factors that affect the company's operations. The company has the systematic surveillance and consistent measurement of risk reduction. The risk factors that may cause a significant impact on achieving the Company's business goal are as follows :

1. Economic Risk

Since 2014, the continuing slowdown of global and domestic economy, the reduction of the country's overall consumption and purchasing power and the declining of foreign investment are the factors that directly impact on company's revenues. The immediate reaction by many clients during a recession is to cut their advertising budget. It is more difficult for the company to acquire new clients as well.

2. The risk from the change of policy by global and regional customers

Global and regional customers tend to use the same advertising agency network in every market in order to communicate the same message internationally, as it is easier to communicate in the network to promote information, news and activities that can be deployed to enhance the quality. The business contract with DDB Worldwide give the opportunity for the company to obtain global and regional clients, on the other hand, the cancellation of contract of those clients with DDB network will bring the inevitable loss to the company as well.

3. The risk of shifting in new media platform.

The emergence of social media in digital age has pushed a migration from offline to the online platform. With the surge of online video consumption and active mobile Internet users, social media networks such as Facebook, Line, Youtube and Twitter have become the most popular tools. Advertisers and advertising agencies had changed their communication strategy by shifting from traditional to digital media because these communication channels allow them to hit their targeted audiences and boost sales with cost-effectiveness.

4. The risk of market competition.

With fierce competition in advertising industry to acquire new clients, the company must adapt itself to keep pace with the changing situation and develop new communication strategy and technology. The company need to develop personnel to avoid the risk of a shortage of skilled person and enhance the performance to achieve client's satisfaction and business goal.

5. The risk of unexpected event. accident, unrest or natural disasters

The death of His Majesty King Bhumibol Adulyadej and a subsequent period of mourning led to sharply reduced ad spending in the last quarter of 2016 as the government ordered all media outlets to drop paid advertisements, concerts and other show-business events as well as lower the tone of their entertainment-related programmes to pay respects to the monarch for 30 days.

The risk of unpredictable accidents, unrest or natural disasters that may occur. The happening of these incidents will affect the company operation and revenues inevitably.

GENERAL INFORMATION AND IMPORTANT INFORMATION

COMPANY INFORMATION

Company Name	Far East DDB Public Company Limited
Registered No.	0107537001528
Head Office	465/1-467 Si Ayutthaya Rd., Ratchathewi District, Bangkok 10400 Tel. (66)-2354-3333 Fax. (66)-2644-9551
E-Mail Address :	fareast@fareastddb.com
Website :	www.fareastddb.com
Nature of Business	Advertising Agency
Authorized Capital	Baht 75,000,000 (7,500,000 ordinary shares at par value Baht 10)

JURISTIC PERSONS THAT THE COMPANY HOLDING SHARES OF 10% UPWARDS

- 1. Fame Line Co., Ltd.**
465/1-467 Si Ayutthaya Road, Ratchathewi District, Bangkok 10400
Tel. 0-2354-3555 Fax. 0-2354-3556
Nature of Business Advertising Agency
Authorized Capital Baht 10,000,000 (100,000 ordinary shares at par value Baht 100)
Shares Held 86.48%
- 2. Springboard Plus Co., Ltd.**
465/1-467 Si Ayutthaya Road, Ratchathewi District, Bangkok 10400
Tel. 0-2354-3577 Fax. 0-2354-3578
Nature of Business Advertising Agency and Direct Marketing
Authorized Capital Baht 6,511,000 (651,100 ordinary shares at par value Baht 10)
Shares Held 99.99%
- 3. Integrated Communication Co., Ltd.**
465/1-467 Si Ayutthaya Road, Ratchathewi District, Bangkok 10400
Tel. 0-2354-3588 Fax. 0-2354-3589-90
Nature of Business Public Relations
Authorized Capital Baht 5,000,000 (500,000 ordinary shares at par value Baht 10)
Shares Held 40%
- 4. DigenaKorn Co., Ltd.**
465/1-467 Si Ayutthaya Road, Ratchathewi District, Bangkok 10400
Tel. 0-2354-3573 Fax. 0-2644-9551
Nature of Business Digital Advertising
Authorized Capital Baht 10,000,000 (1,000,000 ordinary shares at par value Baht 10)
Shares Held 40%
- 5. Media Intelligence Co., Ltd.**
208 Wireless Road, Patumwan District, Bangkok 10330
Tel. 0-2651-5377 Fax. 0-2651-5370
Nature of Business All media buying, selling and planning
Authorized Capital Baht 20,000,000 (2,000,000 ordinary shares at par value Baht 10)
Shares Held 33.33%

6. **SPA-Today-Far East (Thailand) Co., Ltd.**
 11Fl, Rajapark Building, 163Sukhumvit21, Klongtoey, Bangkok 10110
 Tel. 0-2258-9094 Fax. 0-2258-9095
Nature of Business Advertising Agency
Authorized Capital Baht 1,000,000 (10,000 ordinary shares at par value Baht 100)
Shares Held 30%
7. **Myanmar SPA-Today- Far East Co., Ltd.**
 174 (A) DhammaZedi Road, Bahan Town ship, Yangon, Myanmar
 Tel. 95-1-524722 Fax. 95-1-527507
Nature of Business Advertising Agency
Authorized Capital US\$ 83,333 (500 ordinary shares)
Shares Held 30%

Other Referees

Company Registrar

Thailand Securities Depository Co., Ltd.
 The Stock Exchange of Thailand Building, 93 Rachadapisek Rd.,
 Din Daeng, Bangkok 10110
 Tel. 0-2009-9000 Fax. 0-2009-9991

Auditors

Mr. Atipong Atipongsakul and/or Mr. Sathien Vongsnan
 and/or Ms.Kultida Pasurakul
 ANS Audit Co., Ltd.
 100/72, 22nd Floor, 100/2 Vongvanij Building B., Rama 9 Road,
 Huay Kwang, Bangkok 10320
 Tel. 0-2645-0107-9 Fax. 0-2645-0110

CROSS SHAREHOLDING STRUCTURE

FE Holding shares in Other Firms		Other Firms holding shares in FE	
No.	Names	Proportion of Shareholding %	Proportion of Shareholding %
1.	<p>Holding of shares exceeding 50%</p> <p>A) Other firms hold shares in the Company exceeding 50%, the Company must not cross shareholding in other firms.</p> <p>B) The Company holds shares in other firms exceeding 50%, the other firms must not cross shareholding in the Company.</p> <p>C) The Company holds shares exceeding 50% between two or more other firms, any other firms must not cross shareholding each other.</p> <p>1. Fame Line Co., Ltd.</p> <p>2. Springboard Plus Co., Ltd.</p>	<p>86.48</p> <p>99.99</p>	<p>-</p> <p>-</p>
2.	<p>Holding of shares exceeding 25% not exceeding 50%</p> <p>A) Other firms hold shares in the Company exceeding 25% but not exceeding 50% of shares, the Company must not cross shareholding in other firms exceeding 10%.</p> <p>B) The Company holds shares in other firms exceeding 25% but not exceeding 50% of shares, the other firms must not cross shareholding in the Company exceeding 10%.</p> <p>1. Diginakorn Co., Ltd.</p> <p>2. Integrated Communication Co., Ltd.</p> <p>3. Media Intelligence Co., Ltd.</p> <p>4. SPA-Today-Far East (Thailand) Co., Ltd.</p> <p>5. Myanmar SPA-Today-Far East Co., Ltd.</p>	<p>40.00</p> <p>40.00</p> <p>33.33</p> <p>30.00</p> <p>30.00</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>
3.	<p>Holding of shares not exceeding 25%</p> <p>A) Other firms hold shares in the Company not exceeding 25%, the Company must not cross shareholding in other firms exceeding 25%.</p> <p>B) The Company holds shares in other firms exceeding not exceeding 25%, the other firms must not cross shareholding in other firms exceeding 25%.</p> <p>1. Saha Pathanapibul Plc.</p> <p>2. Saha Pathana Interholding Plc.</p> <p>3. I.C.C. International Plc.</p>	<p>0.33</p> <p>0.28</p> <p>0.29</p>	<p>12.30</p> <p>14.08</p> <p>10.64</p>

Remark : The Company has the cross shareholding structure; however the cross shareholding not conflict with the principles as prescribed in the Notification of the Capital Market Supervisory Board Tor For 28/2551 Re: The Request for Approval and the Approval of Initial Public Offering Article 14.

SHAREHOLDERS

Registered Capital and Paid up Capital

The Company had total registered capital and paid-up capital of Baht 75,000,000 (7,500,000 ordinary shares with par value of Baht 10 per share).

Structure of Shareholders and Management

Shareholders

As at the close of share register on April 1, 2016

Type	Person	Share	%
Juristic Persons			
Thai	26	3,905,853	52.08
Foreign	2	821,800	10.96
Private Individuals			
Thai	300	2,766,347	36.88
Foreign	1	6,000	0.08
Total	329	7,500,000	100.00

10 Major Shareholders as at the close of share register on April 1, 2016

	No. of Shares	%
1. Saha Group	2,776,150	37.02
2. Mr. Samrerng Manoonpol	866,000	11.55
3. GERLACH & CO.- COMERICA BANK US CLIENT	750,000	10.00
4. Chokwatana Co., Ltd.	505,075	6.73
5. Mrs. Chailada Tantivejakul	306,044	4.08
6. Mr. Boonchai Chokwatana	291,760	3.89
7. Mr. Chailadol Chokwatana	179,600	2.4
8. I.D.F. Co., Ltd.	171,000	2.28
9. Mr. Verapat Poonsakudomsin	128,500	1.71
10. Mrs. Ladda Chokwatana	118,500	1.58

Note

Saha Group are as follows:

	No. of Shares	%
Saha Pathana Inter - Holding Plc.	1,055,700	14.08
Saha Pathanapibul Plc.	922,650	12.30
I.C.C. International Plc.	797,800	10.64

COMPANY'S DIVIDEND PAYMENT POLICY

The Company intended to allocate dividends to the shareholders at the rate of Baht 3 per share per year, subjecting mainly to the economic situation and the Company's results of operation.

Nevertheless, during the past five years, the Company had paid dividend to shareholders fairly with the rate is suitable to each period economy situation and in accordance with the dividend payment policy as follows:

Year	2015	2014	2013	2012	2011
Value of share (Baht)	10.00	10.00	10.00	10.00	10.00
Dividend per share (Baht)	6.00	5.00	7.00	8.00	9.00
Total amount (Baht)	45,000,000.00	37,500,000.00	52,500,000.00	60,000,000.00	67,500,000.00
Ratio (%) net profit	67.10%	80.64%	82.53%	73.02%	78.66%

Company subsidiaries' Dividend Payment Policy

The Company subsidiaries intended to allocate dividends at the rate of 50% of the profit after tax.

STRUCTURE OF MANAGEMENT

Name/Position	Age	Education	% Shares Holding	Family Relationship Between Directors	Experiences		
					Period	Position	Company
1. Mr.Boonchai Chokwatana - Chairman - President - Authorized Director	69	- The Doctoral Honorary Degree in Communication, Naresuan University Business Administration, Maharakham University - Bachelor of Arts in Political Science Ramkhumhaeng University - Bachelor of Business Administration Wisconsin State University at Superior, U.S.A. - Director Accreditation Program (DAP) 3/2003 from IOD - Director Certification Program (DCP) 6/8/2005 from IOD	5.47	Mrs. Chailada Tantivejakul and Mr. Chailadol Chokwatana's father	1972-Present 2010-Present 2007-Dec 1, 2014 2011-Dec 11, 2012 Dec 2012-Apr 2014 2011-Present Apr 23, 2012-Present 1989-Present 1996-Present 1996-Present 1996-Present 2010-Present	<u>Listed companies</u> - Chairman of the Executive Board - Chairman - Independent Director/ Audit Committee - Chairman - Director - Director - Director <u>Non Listed Companies Competitive Business related to Company's Business</u> - Chairman - Chairman - Director - Director	- Saha Pathanapibul Plc. - MFC Asset Management Plc. - Pan Asia Footwear Plc. - Thai President Food Plc. - Saha Pathana inter-holding Plc. - 16 companies - Fame Line Co., Ltd. - Integrated Communication Co., Ltd. - SPA-Today-Far East (Thailand) Co., Ltd. - Myanmar SPA-Today-Far East Co., Ltd. - Munk Production Co., Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted					- None -		
2. Mr. Wasin Teyateeti - Vice Chairman - Authorized Director	68	- Bachelor of Accountancy, Chulalongkorn University - Director Accreditation Program (DAP) 3/2003 from IOD	0.23	- None -	1997 - Present 1996 - Present 1996 - Present 1999 - Present 2003 - Present 2015 - Present 2012 - Present	<u>Listed companies</u> • Independent Director / Audit Committee <u>Non Listed Companies Competitive Business related to Company's Business</u> - Director - Director - Chairman - Chairman - Director - Director	- Saha Pathanapibul Plc. - 4 companies - SPA-Today-Far East (Thailand) Co., Ltd. - Myanmar SPA-Today-Far East Co., Ltd. - Media Intelligence Co., Ltd. - Springboard Plus Co., Ltd. - MIM (Thailand) Co., Ltd. - Media Insight Co., Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
3. Mr. Wichar Ldallitsakool - Vice President - Risk Management and Anti-Corruption Committee - Authorized Director	62	- Bachelor of Arts, Porchang Campus Rajamangala University of Technology Rattanakosin - Mini MBA Executive Development Program the 30th, Thammasat University - Director Accreditation Program (DAP) 10/6/2013 from IOD	0.08	- None -	2003 - Present	<u>Listed companies</u> <u>Non Listed Companies Competitive Business related to Company's Business</u> - Vice President	- None - - None - - Fame Line Co.,Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		

Name/Position	Age	Education	% Shares Holding	Family Relationship Between Directors	Experiences		
					Period	Position	Company
4. Mrs. Chailada Tantivejakul - Managing Director - Financial Director - Risk Management and Anti-Corruption Committee - Authorized Director	40	- Master's Degree in International Commerce and Policy, George Mason University, USA. - Director Accreditation Program (DAP) 55/2006 from IOD	4.08	Mr. Boonchai Chokwatana's daughter	2011 - Present 2004 - Present 2008 - Present	<u>Listed companies</u> - Director Executive Director <u>Non Listed Companies Competitive Business related to Company's Business</u> - Director - Director	- Saha Pathanapibul Plc. - 5 companies - Spa-Today-Far East (Thailand) Co.,Ltd. - Media Intelligence Co.,Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
5. Mrs. Malee Leelasiriwong - Director - Human Resource and Legal Director - Authorized Director - Risk Management and Anti-Corruption Committee	62	- Bachelor of Law, Chulalongkorn University - Director Accreditation Program (DAP) 2/2003 from IOD	0.03	- None -	1989 - Present 1990 - Present 2003 - Present 2003 - Present	<u>Listed companies</u> <u>Non Listed Companies Competitive Business related to Company's Business</u> - Director - Director - Director - Director	- None - - 1 company - Fame Line Co.,Ltd. - Image First Co.,Ltd. - Springboard Plus Co.,Ltd. - Integrated Communication Co.,Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
6. Mr. Khachornsakdi Vanaratseath - Independent Director - Audit Committee Chairman	69	- Master's Degree in Accountancy, Western Illinois University, U.S.A. - Graduate Diploma in Auditing, Chulalongkorn University - B.Se. Accountancy, Chulalongkorn University - Director Accreditation Program (DAP) 3/2003 from IOD	-	- None -	1996 - Present 1993 - Present	<u>Listed companies</u> - Independent Director / Audit Committee - Independent Director / Audit Committee Chairman <u>Non Listed Companies Competitive Business related to Company's Business</u>	- Saha Pathanapibul Plc. - S&J International Enterprise Plc. - 1 company - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
7. Mr. Amorn Asvanunt - Independent Director - Audit Committee	68	- Master's Degree of MBA, Bowling Green State University, Ohio, U.S.A. - B.Se. Accountancy Chulalongkorn University - Director Accreditation Program (DAP) 4/2003 from IOD	-	- None -	1999 - Present 2006 - Present 2002 - Present 2002 - Present 2005 - Present 2008 - Present 2015 - Present 2015 - Present	<u>Listed companies</u> - Independent Director/ Audit Committee - Chairman of Risk Management Committee - Independent Director / Audit Committee Chairman - Audit Committee - Independent Director - Risk Management Committee - Chairman of the Remuneration Committee - Independent Director <u>Non Listed Companies Competitive Business related to Company's Business</u>	- I.C.C. International Plc. - People's Garment Plc. - Saha Cogen (Chonburi) Plc. - Krungdhep Sophon Plc. - MFC Asset Management Plc. - 1 company - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		

Name/Position	Age	Education	% Shares Holding	Family Relationship Between Directors	Experiences		
					Period	Position	Company
8. Mr. Vichit Tantianunant - Independent Director - Audit Committee - Chairman of Risk Management and Anti-Corruption Committee	70	- Assumption Commercial College, Bangkok - Joint Venture Management Course, Insead University - Director Accreditation Program (DAP) 3/2003 from IOD	-	- None -	1997 – Present 2015 - Present	<u>Listed companies</u> - Director <u>Non Listed Companies Competitive Business related to Company's Business</u> - Audit Committee	- Sampo Japan Nipponkoa Insurance (Thailand) Plc. - 1 company - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
9. Mrs. Chattong Tippayakalin - Independent Director - Audit Committee	64	- Bachelor of Economics (Finance) University of the Thai Chamber of Commerce - Master of Business Administration (Management) Kasetsart University - National Defence College - Director Accreditation Program (DAP) 99/2012 from IOD	-	- None -	2015 - Present	<u>Listed companies</u> - Director - Audit Committee - Risk Management Committee <u>Non Listed Companies Competitive Business related to Company's Business</u>	- SCI Electric Plc. - None- - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
10. Mr. Arthorn Maeknoparat - Director - General Manager - Risk Management and Anti-Corruption Committee - Authorized Director	57	- Bachelor of Arts, Faculty of Communication Arts, Major in Mass Communication, Chulalongkorn University - Director Accreditation Program (DAP) 87/2011 from IOD	-	- None -	Mar 8, 2016	<u>Listed companies</u> <u>Non Listed Companies Competitive Business related to Company's Business</u> - Director	- None- - None- - Diginakorn Co., Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
11. Mr. Chailadol Chokwatana - Director - Authorized Director	39	- Bachelor of Graphic Design, Marymount University, USA - Director Accreditation Program (DAP) 106/2013 from IOD	2.39	Mr. Boonchai Chokwatana's son	2010-Present	<u>Listed companies</u> <u>Non Listed Companies Competitive Business related to Company's Business</u> - President	- None- - None- - Munk Production Co., Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
12. Miss Waraporn Kulsawatpakdee - Director - Risk Management and Anti-Corruption Committee	58	- Master of Public and Private Management (M.P.P.M) The National Institute of Development Administration (NIDA) - Bachelor of Arts(Honour), Faculty of Communication Arts, Chulalongkorn University - The National Defence Course for the State, Private and Political Sectors Class 6, The National Defence College (NIDA) - Director Certification Program (DCP) 154/2011, Thai Institute of Direction	0.03	- None -	1994-Present Mar 2, 2016	<u>Listed companies</u> <u>Non Listed Companies Competitive Business related to Company's Business</u> - Chief Executive Officer and Managing Director - Independent Director / Audit Committee	- None- - None- - Integrated Communication Co., Ltd. - Thai Wacoal Plc.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		

Name/Position	Age	Education	% Shares Holding	Family Relationship Between Directors	Experiences		
					Period	Position	Company
13. Mr. Anupol Puwagoonpol - Executive Business Director - Risk Management and Anti-Corruption Committee	56	- Bachelor of Arts, Faculty of Communication Arts, Major in Advertising and Public Relations, Chulalongkorn University	-	- None -	2015-Present Mar 8, 2016	Listed companies Non Listed Companies Competitive Business related to Company's Business - Director - Director	- None- - None- - Springboardplus Co., Ltd. - Diginakorn Co., Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
14. Mrs. Pornwilai Pinvanichkul - Accounting Manager	56	- Master of Business Administration, Ramkhumhaeng University	-	- None -		Listed companies Non Listed Companies Competitive Business related to Company's Business	- None- - None- - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
15. Mr. Chap Lewampan - Executive Creative Director	58	- Bachelor of Arts Journalism and Mass Communication, Advertising Branch, Thammasat University	-	- None -		Listed companies Non Listed Companies Competitive Business related to Company's Business	- None- - None- - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
16. Mr. Peeradej Choicharoon - Executive Creative Director	58	- Bachelor of Science Teachers, Major in Arts, Chulalongkorn University	-	- None -		Listed companies Non Listed Companies Competitive Business related to Company's Business	- None- - None- - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
17. Mrs. Sunee Chajjaraks - Executive Creative Director	55	- Bachelor of Arts, Faculty of Communication Arts, Chulalongkorn University	-	- None -	Mar 8, 2016	Listed companies Non Listed Companies Competitive Business related to Company's Business - Director	- None- - None- - Diginakorn Co., Ltd.
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
18. Mr. Gongpan Uphathumprungpong - Executive Creative Director	53	- Master's Degree of Arts, Faculty of Communication Arts, Chulalongkorn University	-	- None -		Listed companies Non Listed Companies Competitive Business related to Company's Business	- None- - None- - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		
19. Miss Rachadawan Ritthirong - The Company's Secretary (15 November 2016)	56	- Master's Degree of Business Administration, Thammasat University - Bachelor of Arts(Honour), Faculty of Communication Arts, Chulalongkorn University - Company Secretary Program (CSP) 74/2016	0.004	- None -		Listed companies Non Listed Companies Competitive Business related to Company's Business	- None- - None- - None-
Positions in the company or any other organization in the previous year that have a significant impact on the time devoted.					- None -		

MANAGEMENT

Management Structure

The Company's management structure as of December 31, 2016 consists of the Company's Board of Directors, Audit Committee, Risk Management and Anti Corruption Committee and Mr. Arun Ngamdee as the Company Advisory.

Names	Position	Appointed Year	Period of Company's Director (Years)
1. Mr. Boonchai Chokwatana	Chairman and President	1970	46
2. Mr. Wasin Teyateeti	Vice Chairman	1974	42
3. Mr. Wichar Ldallaitsakool	Vice President	2013	3
4. Mrs. Malee Leelasiriwong	Director	2000	16
5. Mrs. Chailada Tantivejakul	Managing Director	2005	11
6. Mr. Khachornsakdi Vanaratseath	Independent Director	2002	14
7. Mr. Amorn Asvanunt	Independent Director	2002	14
8. Mr. Vichit Tantianunanont	Independent Director	2002	14
9. Mr. Arthorn Maeknoparat	Director	2010	6
10. Mrs. Chattong Tippayakalin	Independent Director	2011	5
11. Mr. Chailadol Chokwatana	Director	2013	3
12. Miss Waraporn Kulsawatpakdee	Director	2014	2
Miss Rachadawan Ritthirong	The Company Secretary	2016	

Charter of the Company's Board of Directors

The Company's Board of Directors recognizes an on duty as directorship with responsibility, carefulness and integrity as fiduciary that operates such business commencing to good corporate governance's principles to achieve utmost benefit for the Company, shareholders and all parties concerned. The Company's business is complied with the policy, law, objective, regulations, the Company's Board of Directors' resolution and resolution of the Shareholders' Meeting. The Company's Board of Directors has duty and responsibility as follows:

Authority

1. To appoint, remove and delegate authority to the Company's Board of Directors' adviser, the committees and other parties for further practice.
2. To approve loans of the amount greater than the authority of the executive committee, to the companies with a business relation to the companies as shareholders, or to affiliated companies with a trading relation or other companies.
3. To approve guarantee of loans of the amount greater than the authority of the executive committee, to companies with a business relation with the companies as shareholders, or to affiliated companies with a trading relation or other companies.
4. To approve engagement in a legal act, that is not a financial transaction, of the amount greater than the authority of the executive committee.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the executive committee.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the executive committee.
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the executive committee.
8. To approve amendment, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are out of the amount greater than the authority of the executive committee.

9. To approve amendment, change of price and destruction of raw materials and / or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the executive committee.

10. To approve compromise or settlement of dispute by arbitration, complaint, filling of lawsuits and / or any legal proceeding on behalf of the Company on matters which are not/or normal business course with an amount exceeding the authority of the executive committee.

11. To propose a capital increase or decrease of, change in stock value, amendment of the memorandum of association, articles of association, and / or objectives of the Company to the General Shareholders Meeting.

12. To invite the management, executives and employees of the Company involved in any particular issues to provide some explanations, to give comments, to participate in the meeting, or to provide any documents as necessary.

13. To seek advice and consultation by experts or advisers of the Company (if any), or to commission an external adviser or expert in any necessary cases under expenses of the Company.

14. To appoint and remove the Company Secretary.

15. All authority of the board of directors as mentioned above that is related to the grant and distribution of assets and connected transaction will act in accordance with the announcement of Capital Market Supervisory Board.

Scope, Authorities and Duties of the Company Directors

1. To establish directions, goals and business policies of the Company.

2. To approve plans and annual budgets, to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and desired policies and plans.

3. To encourage the development of business supervision policy and written business code of ethics in order for Company directors, executives and employees to observe as guideline in the conduct of the Company's business.

4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, reviewed and recorded in accurate books of accounts, and to implement systems preventing inappropriate use of Company's assets.

5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the Company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.

6. To approve the reviewed and/or audited financial statements by external auditor, which have been approved by the Audit Committee.

7. To be equally responsible to all shareholders, and to correctly and transparently disclose information to shareholders and investors.

8. To acknowledge business management reports from the Executive Committee.

9. To convene shareholders meetings by specified date, time, location and agenda as well as dividends (if any), and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the Company may refuse share transfer registration by transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, and the shareholder's register book at the closing date must be one day after the record date. This is to compile a list of names under Section 225 of the Securities and Exchange Act, in order to determine the right to attend shareholders meeting and to receive dividends.

10. To prepare the report of "Responsibility of the Board of Directors towards Financial Reports" and disclose it in the annual report of the Company (Template 56-2) and the annual disclosure template (Template 56-1).

11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the books of accounts, the registration or other documents of the Company.

12. To approve the Board of Directors Charter and/or other committees Charters.

13. To engage in any other action, which is beyond the authority of the Executive Committee, or which the Board of Directors deems appropriate.

In the year 2016, the Board of Directors held nine meetings; the attendance of each Board member on such meetings was as follows:

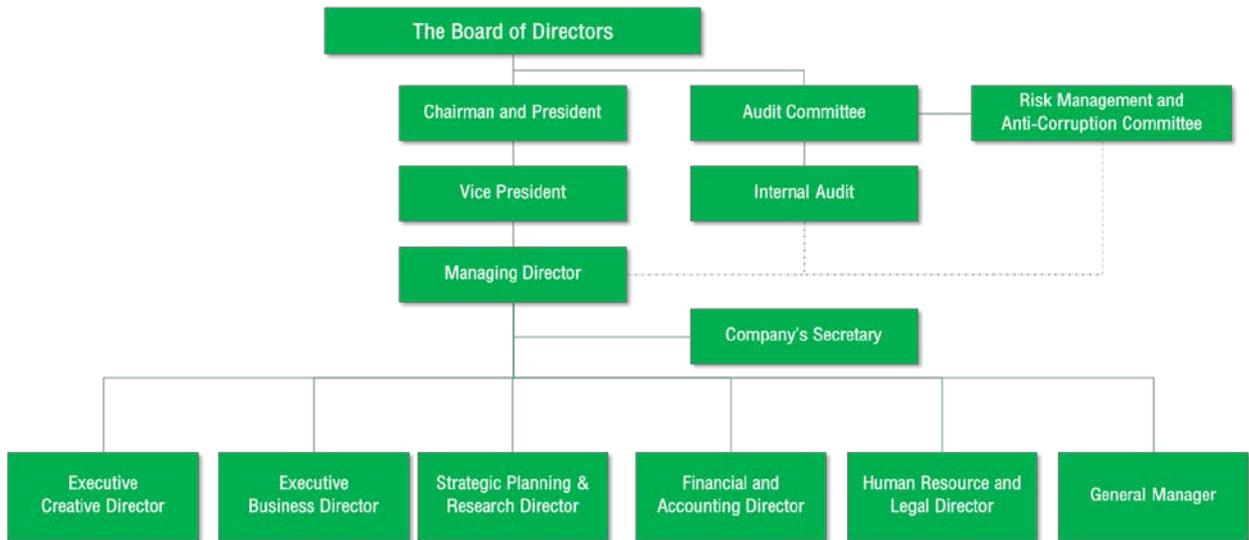
Names	Position	The Board of Directors' Meeting	General Meeting of Shareholders
1. Mr. Boonchai Chokwatana	Chairman and President	9/9	-/1
2. Mr. Wasin Teyateeti	Vice Chairman	5/9	1/1
3. Mr. Wichar Ldallaitsakool	Vice President	9/9	1/1
4. Mrs. Chailada Tantivejakul	Managing Director	8/9	1/1
5. Mrs. Malee Leelasiriwong	Director	8/9	1/1
6. Mr. Arthorn Maeknoparat	Director	7/9	1/1
7. Mr. Chailadol Chokwatana	Director	8/9	1/1
8. Miss Waraporn Kulsawatpakdee	Director	8/9	1/1
9. Mr. Khachornsakdi Vanaratseath	Independent Director	9/9	1/1
10. Mr. Amorn Asvanunt	Independent Director	7/9	1/1
11. Mr. Vichit Tantuanunant	Independent Director	9/9	1/1
12. Mrs. Chattong Tippayakalin	Independent Director	7/9	1/1

Executive

Number of Executives as at December 31, 2016

Names	Position
1. Mr. Boonchai Chokwatana	Chairman and President
2. Mr. Wichar Ldallaitsakool	Vice President
3. Mrs. Chailada Tantivejakul	Managing Director and Financial Director
4. Mr. Chap Lewampan	Executive Creative Director
5. Mr. Peeradej Choicharoon	Executive Creative Director
6. Mr. Gongpan Uphathumprungpong	Executive Creative Director
7. Mrs. Sunee Chaijiraraks	Executive Creative Director
8. Mr. Anupol Puwapoonpol	Executive Business Director
9. Mrs. Malee Leelasiriwong	Human Resource and Legal Director
10. Mr. Arthorn Maeknoparat	General Manager
11. Mrs. Pornwilai Pinvanichkul	Accounting Manager

**MANAGEMENT STRUCTURE OF THE COMPANY
AS AT DECEMBER 31, 2016**



The Company's Secretary

The Company has assigned Miss Rachadawan Ritthirong as the Company's secretary to take full responsibility of this position in order to conduct the Company's business efficiently with good corporate governance.

The scope of duties and responsibilities of the Company's secretary are as follows:

1. preparing and keeping the following documents:
 - a) a register of directors;
 - b) a notice calling director meeting, a minute of meeting of the Board of Directors and an annual report of the Company;
 - c) a notice calling shareholder meeting and a minute of shareholders' meeting;
2. keeping a report on interest filed by a director or an executive;
3. performing any other acts as specified in the notification of the Capital Market Supervisory Board.

Number of Shared Held by Director and Executives of Far East DDB Public Company Limited as at December 31, 2016

Name	2015		Increase/ Decrease During the year	2016 Total	%	2016	
	Director	Spouse				Director	Spouse
1. Mr. Boonchai Chokwatana	291,760	118,500	4,500	414,760	5.53	296,260	118,500
2. Mr. Wasin Teyateeti	14,850	2,250	-	17,100	0.23	14,850	2,250
3. Mr. Wichar Ldallitsakool	2,000	4,000	-	6,000	0.08	2,000	4,000
4. Mrs. Chailada Tantivejakul	306,044	-	-	306,044	4.08	306,044	-
5. Mrs. Malee Leelasirivong	-	2,100	-	2,100	0.03	-	2,100
6. Mr. Chailadol Chokwatana	179,600	-	-	179,600	2.39	179,600	-
7. Mr. Khachornsakdi Vanaratseath	-	-	-	-	-	-	-
8. Mr. Amorn Asvanunt	-	-	-	-	-	-	-
9. Mr. Vichit Tantaranonant	-	-	-	-	-	-	-
10. Mr. Arthorn Maeknoparat	-	-	-	-	-	-	-
11. Mrs. Chattong Tippayakalin	-	-	-	-	-	-	-
12. Miss Waraporn Kulsawatpakdee	2,500	-	-	2,500	0.03	2,500	-
13. Mr. Anupol Puwapoonpol	-	-	-	-	-	-	-
14. Mr. Chap Lewampan	-	-	-	-	-	-	-
15. Mr. Peeradej Choicharoon	-	-	-	-	-	-	-
16. Mr. Gongpan Uphathumprungpong	-	-	-	-	-	-	-
17. Mrs. Sunee Chajjiraraks	-	-	-	-	-	-	-

Number of Shared Held by Director of Fame Line Co., Ltd. as at December 31, 2016

Name	2015		Increase/ Decrease During the year	2016 Total	%	2016	
	Director	Spouse				Director	Spouse
1. Mr. Boonchai Chokwatana	-	500	-	500	0.50	-	500
2. Mr. Wichar Ldallitsakool	3,500	-	-	3,500	3.50	3,500	-
3. Mrs. Chailada Tantivejakul	3,515	-	-	3,515	3.52	3,515	-
4. Mr. Chailadol Chokwatana	2,500	-	-	2,500	2.50	2,500	-

Number of Shared Held by Director of Springboard Plus Co., Ltd as at December 31, 2016

Name	2015		Increase/ Decrease During the year	2016 Total	%	2016	
	Director	Spouse				Director	Spouse
1. Mr. Wasin Teyateeti	8	-	-	8	0.00	8	-

Remuneration for the Directors and Executives

Remuneration for the Board of Directors:

Directors' compensation	Baht	2,400,000.00
Directors' meeting allowance	Baht	694,000.00
Audit Committee Meeting allowance	Baht	210,000.00
Risk Management and Anti-Corruption Meeting allowance	Baht	108,000.00
Totaling	Baht	3,412,000.00

Names	Directors' compensation (Baht)	Directors' meeting allowance (Baht)	Audit Committee Meeting allowance (Baht)	Risk Management and Anti-Corruption Meeting allowance (Baht)
1. Mr. Boonchai Chokwatana	200,000.00	66,000.00		
2. Mr. Wasin Teyateeti	200,000.00	36,000.00		
3. Mr. Wichar Ldallaitsakool	200,000.00	66,000.00		16,000.00
4. Mrs. Malee Leelasiriwong	200,000.00	60,000.00		12,000.00
5. Mrs. Chailada Tantivejakul	200,000.00	58,000.00		12,000.00
6. Mr. Khachornsakdi Vanaratseath	200,000.00	66,000.00	55,000.00	
7. Mr. Amorn Asvanunt	200,000.00	54,000.00	45,000.00	
8. Mr. Vichit Tantaranunant	200,000.00	66,000.00	55,000.00	16,000.00
9. Mrs. Chattong Tippayakalin	200,000.00	52,000.00	55,000.00	
10. Mr. Arthorn Maeknoparat	200,000.00	52,000.00		12,000.00
11. Mr. Chailadol Chokwatana	200,000.00	60,000.00		
12. Miss Waraporn Kulsawatpakdee	200,000.00	58,000.00		12,000.00
13. Mr. Anupol Puwapoonpol				12,000.00
Mrs. Suree Muennarintr				16,000.00
Total	2,400,000.00	694,000.00	210,000.00	108,000.00

Remuneration payment to 11 Executive Board of Directors and Executives is equal to Baht 25,509,495.00 for the year 2016, which is in the form of salaries and bonus.

Employees

As of December 31, 2016, the number of employees are 122 persons with staff in key departments are as follows:

- Creative Department	26 persons
- Account Management Department	18 persons
- Production Department	13 persons
- Strategic Planning & Research Department	6 persons

For the year 2016 the Company has paid to employees (excluding employees who serve as directors and executives) as 75,115,660 Baht compensation as salary, bonus and allowances.

In the past year. There are no labor disputes arise.

CORPORATE GOVERNANCE

One mission of the Board of Directors is to implement a good corporate governance system which ensures transparency, honesty, accountability, competitiveness, fairness to all relevant parties, with consideration to all stakeholders as well as added value for shareholders. To this end, we observe the good corporate governance principle as promoted by both the Stock Exchange of Thailand and by the sufficiency economy philosophy, which teaches us to feel happy with what we have, to be reasonable, and to be careful. Our operation plans are developed and executed with expertise and great caution. And, most importantly, all executives and employees are encouraged to be honest, dedicated, patient, careful and willing to share. These measures have positioned us very well to accommodate any economic, political, cultural and social change, and, to achieve balanced and sustainable results.

Our good corporate governance principle was approved by the Board of Directors composed of three parts: Corporate Governance Policy, Business Ethics and Ethics for the Committees, Managers and Employees. The Board of Directors, executives and employees of all levels of the Company value the significance of the observance of the Good Corporate Governance Principle, which is constantly reviewed and improved. As a result, in the year 2016, we have been given positive ratings in the following areas:

- “Good” rating for the 2016 evaluation of corporate governance of listed companies.
- “Very Good” rating for the 2016 evaluation of annual general meeting of shareholders quality.

The Board of Directors has considered and improved the corporate governance of the Company in accordance with the “Principles of Good Corporate Governance for Listed Companies in 2012” guideline to comply with ASEAN Corporate Governance Scorecard rules as follows :

1. Corporate Governance Policy
2. Corporate Governance 5 Sections
3. Business Ethics
4. Ethics for the Committees, Managers and Employees

Corporate Governance Policy

The Board of Directors believes that good, transparent, and auditable management system, balance of power, sufficiently and appropriately internal control system, respect and shareholder and stakeholder equality are the major factors that contribute to the corporate immune system as well as sustainable and balance growth.

Therefore, the Board of Directors set the following corporate governance policies that are the practical guidelines for all directors, managers, and employees. The Company has distributed guideline to Directors, Executives and employees and posted on the Company website www.fareastddb.com to acknowledge and perform the business operations in the same way. Details are as follows:

1. All directors, managers, and employees dedicate to comply with the corporate governance policies, corporate morals, and managerial ethics.
2. All directors, managers, and employees must responsibly, carefully, and honestly perform their duties according to laws, the company’s regulations, and relevant announcements.
3. The Company’s management structure must clearly specify the authorities, duties, and responsibilities of directors and managers
4. The internal control and risk management systems must be suitable for the Company. The accounting and financial systems must be reliable.
5. Important information must be sufficiently, reliably, and promptly disclosed as long as the information does not affect the legal benefits for the Company.
6. The ownership rights of the shareholders must be aware of and respectable. The shareholder equity must be sustained.
7. Corporate activities must be conduct with responsibilities for the shareholders, stakeholders, communities, and environment.

8. Corporate excellence must be a goal that can be achieved with customer satisfaction by listening to the customers and revising ourselves in order to maximize the management and creativity potentials.

9. Morals, ethics, conscious, and fairness are fostered. The employee capabilities are regularly improved.

10. Fraud, corruption, and intelligent property infringement must be prevented. Laws and human rights must be followed.

11. Conflicts of interests must be carefully and reasonably handled by considering the Company's interests.

The corporate governance policies are divided into the following five sections.

1. Rights of the Shareholders

1.1 The Board of Directors is aware of and respects the ownership rights of the shareholders. The rights of the shareholders must not be violated or deprived. The Board of Directors fairly protects the interests of the shareholders as well as support and encourage all groups of the shareholders including local and foreign ones, major and minor ones, and institutional ones to use their rights including the fundamental rights, the right to sufficiently and promptly access information, and the right to attend shareholder meetings in order to set directions and make decisions regarding significant effects on the Company.

1.2 The Board of Directors provides opportunities for the shareholders to posting meeting agendas and their questions before meetings on company's website.\

1.3 The Board of Directors states the details including description and rationale, date, time, location, and agenda of each meeting in each notice calling for the meeting for the shareholders' convenience.

1.4 The Board of Directors entitles the shareholders to annually approve the pays or the directors by setting payment criteria.

1.5 The Board of Directors encourages the uses of technologies in the shareholder meetings in order to correctly and quickly obtains a resolution for each issue. The Board of Directors encourages entitle the shareholders to elect a director by voting and appointing an independent person to count the votes.

1.6 The Board of Directors posts the resolution and voting results of each shareholder meeting on the day after the meeting on the Company's website.

1.7 The Board of Directors posts the information about each shareholder meeting on the Company's website. The information includes the voting procedure; the names of the directors, subcommittees, managers who attended and did not attend the meeting; voting results; and questions and answers without agendas that were not include in the notice calling for the meeting.

In addition to the basic rights, the Board of Directors takes into account the statutory rights of shareholders and engages; ensures that their rights are not violated or subjugated; and, facilitates the exercise of their rights as follows:

1. Right to be informed : All shareholders have an equal right to be informed. Therefore, information is made available to shareholders in English and in Thai via the Stock Exchange of Thailand and our web site at www.fareastddb.com This is to ensure that the shareholders are well informed of matters such as operational results, related transactions, significant sales and purchases of assets, names of ten major shareholders as of registration book closing date for the purpose of an annual general meeting, shareholders meeting minuted within 14 days after the meeting, and other information necessary for their decision making.

2. Right to attend shareholders meetings : The Company arranges for the annual general meeting of shareholders every year within four months from the last day of an accounting year of the Company. This meeting takes place on a date and time and at a location which allow ease of attendance by the shareholders.

In the year 2016, the Company has had the 22nd, annual general meeting of shareholders on April 28th, 2016 at the Conference Room of Far East DDB Plc., 465/1-467 Si Ayutthaya Road, Ratchathewi, Bangkok 10400. This venue is used every year to save the shareholders from confusion. A map is enclosed with the meeting notice with agendas. Additionally, an annual general shareholders meeting notice with agendas in Thai and English was published via the information system of the Stock Exchange of Thailand and the Company's web site at www.fareastddb.com on March 25th, 2016 in order to inform the shareholders 34 days in advance.

Before the meeting day

1. The Company gives shareholders the opportunity to be involved in the meetings. Minor shareholders can submit matters for inclusion as meeting agendas and/or nominate individuals for the Company director election.

For the 2016 annual general meeting of shareholders, the Company has allowed shareholders to submit matters for inclusion as meeting agendas and/or nominate individuals for the Company Director election from December 1st, 2015 to December 30th, 2015. This was announced in Thai and English via the information system of the Stock Exchange of Thailand and on the Company's web site at www.fareastddb.com. Never the less, no shareholders has come forward with any submission or nomination.

2. The Company publishes the meeting notice and supporting documents on the Company's web site at www.fareastddb.com prior to the actual delivery of such information in printed form in Thai and English to the shareholders. This was carried out on March 25th, 2016 or more than 30 days before the meeting date in order to allow Thai and foreign shareholders to access information more quickly and conveniently, as well as to have more time to review pertinent information.

3. The Company delivers meeting notice with agendas, facts, rationales and opinions of Board of Directors on each agenda on April 11th, 2016 to allow shareholders time to review the matters. This was delivered together with supporting documents which include the annual report, financial statements, the profiles of company director candidates, definition of independent directors, profile of Audit Committee members proposed by the Company as proxies, map to the meeting venue, description of documents and identification evidence to be produced by the shareholders for admittance into the meeting, the section of Company Regulation which concerns shareholders meetings; and, the "B" proxy form, announcements was published in a newspaper seven days prior to the meeting for three consecutive days from April 18th, 2016.

Foreign shareholders were delivered on English translation together with the Thai version of meeting notice and supporting documents.

Further, it was possible for shareholders to download either "A", "B" or "C" proxy form of their choice. They have all been prepared in accordance with the relevant announcement of the Ministry of Commerce.

On the meeting day

1. The Board of Directors appreciates the significance of shareholders meetings and their responsibility to the shareholders. It is the duty of directors to attend the meetings and offer shareholders the opportunity to ask questions pertaining to the Company.

For the 22nd, annual general meeting of shareholders on April 28th, 2016, eleven directors or 91.67% were present at the meeting. The Chairman of the Board of Directors and the chairmen of subcommittees, executive directors, accounting manager and the Finance Manager were present. The meeting was also attended by the Company's auditors who served as witnesses to the vote counting. The names of directors, executives and auditors present at the shareholders meeting were recorded in the meeting minutes which is subsequently published on the Company's web site at www.fareastddb.com

2. The Company practices and equal treatment of all shareholders. Upon the meeting commencement, the Company secretary announces the number and the ratio of attending shareholders. The Vice Chairman acts as the Chairman of the meeting declares commencement of the meeting, introduces company directors, members of the subcommittees, executives and auditors then asks the

Company secretary to explain all rules including those concerning voting and the counting of the votes of the shareholders on each agenda in accordance with the Company Regulation. Attending shareholders are given the chance to inquire, opine and make suggestions on all agendas. Questions are answered clearly and precisely. For votes, against votes and abstentions are accounted for using the barcode system. A meeting minute is clearly, correctly and thoroughly produced.

3. At the 22nd annual general meeting of shareholders on April 28th, 2016, a barcode system was used for the purpose of registration and voting to facilitate all attending shareholders. The barcode vote counting on each agenda was witnessed by the auditors of ANS Audit Co., Ltd. to guarantee transparency. Additionally, it was possible for all shareholders and proxies to see the voting results (for votes, against votes and abstentions) on the screen at the same time. The shareholders received the ballot paper and voting card at registration, by dividing into the case as follows:

Any agenda, except, the election directors agenda. Shareholders who are disapprove or abstain should raise the ballot paper, the officer would count the votes including distribute the voting card. Please fill specify an opinion with the signature in the voting card and the officer would collect the voting card promptly.

The election of directors agenda. Please specify opinion to election director individually with signature. In case of shareholders who are disapprove or abstain vote in the election of director, the shareholders/ proxies have to raise the ballot paper, the company officers will count the votes. The officers collect voting card from all shareholders/ proxies at the end of this agenda.

Shareholders' votes on each agenda of the 2016 meeting can be viewed from the 22nd annual general meeting of shareholders as published on the Company's web site.

4. The Company conducts the meeting in the order of the agendas, without any switching of the agendas or inclusion of additional agendas other than those specified in the meeting notice. Significant information is not changed without prior notice to the shareholders

5. The Company records a video of the shareholders meeting throughout the duration of it. Shareholders can ask to see it with the Company secretary. The video is published on the Company's web site as well.

6. Important agendas at shareholders meetings.

1) *Dividend payment:* The Company proposes details pertaining to profit allocation and dividend payment rate together with rationales and supporting information in accordance with the dividend payment policy of the Company. Comparisons are made between the paying dividend and the policy, and, between the paying dividend of the current year and the paid dividend of the previous year. The dates of dividend entitlement and book-closing date.

2) *Directorial election:* The Company gives shareholders the rights to vote on the election of individuals company directors; and, to nominate individuals for the Company director election. Nominated candidates for independent director position must possess the qualifications as required by the Company and the announcement of the Equity Market Committee. Shareholders are provided preliminary information on the candidates, the number of companies for which they serve as company director, position held in other listed companies or competitive/connected businesses, and, criteria and procedure for the selection, type of director.

In the case where a current company director is nominated, the information on his/her meeting attendance in the previous year and the number of terms/years he/she has held a directorial position are included as well.

3) *Directors' Remuneration:* Although the Company has not appointed a remuneration committee. The Company suggests the amount and the form of remuneration to the shareholders meeting for their approval on an annual basis. This is determined by the Nomination and Remuneration Committee and based on operational outcome, performance, remuneration limit approved by the shareholders meeting, remuneration paid in the previous year, the benchmark of other companies in the same sector, and, the duties and the responsibility of the Company directors. Policy and criteria for the determination of remuneration for each position of company director is presented. A summary is provided on approved

remuneration limit, the actual amount paid, the form of payment and the exact amount paid to individual company directors and members of the Audit Committee and the Risk Management Committee. This can be viewed from the annual data sheet (56-1 form) and the annual report (56-2), under the "Directors Remuneration" section.

4) Appointment of auditors and determination of auditor's fee: The Company proposes the appointment of auditors and an audit office, independence, together with their operational outcome and the number of years they have been in service or the reason for the changing of auditors. Audit fee of the current year is compared with the previous year. The same is true for other service fees incurred from the use of services provided by the audit office with which the auditors are associated. Comparison is made with the amount of work and the audit fee of other listed companies of the same size as well. Auditors and the audit office are screened by the Audit Committee.

After the meeting day

The Company produces detailed minutes for the general meeting of shareholders in Thai and English with clear, complete and factual information for each agenda. The names of company directors, members of the subcommittee, executive directors, top management from the accounting and finance department and, auditors who are present at the meeting are listed. Procedures for voting and vote counting, as well as the number of for votes, against votes and abstentions are recorded. The same is true for inquiries and the responses to them. Such a meeting minute is reviewed by the Legal Department and the Vice Chairman of the Board of Directors before execution of signature in the capacity as the chairman of the meeting. The minute is subsequently delivered to the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, as well as published on the Company's web site at www.fareastddb.com in Thai and English within fourteen days from the day of the shareholders meeting. This gives shareholders the opportunity to review information without having to wait until the next meeting. A copy is submitted to the Business Development Department and the Ministry of Commerce within the statutorily specified timeframe as well.

2. Equitable Treatment for the Shareholders

2.1 The Board of Directors fairly and equally treats each shareholder. The shareholders who hold the same type of shares have the same right to vote (i.e. one share for one vote).

2.2 The Board of Directors encourages the shareholders who cannot attend each meeting to authorize a person(s) to attend and vote in the meeting by providing a proxy(s) stating that the shareholders can set the direction of the voting and by nominating at least one independent committee.

2.3 The Board of Directors provides opportunities for the minor shareholders to nominate directors in the annual general meetings of the shareholders.

2.4 The Board of Directors posts the notices calling for shareholder meetings in Thai and English on the Company's website for at least 30 days before the meetings.

2.5 The Board of Directors encourages all shareholders to use their rights as the shareholders by providing the notices calling for shareholder meetings and supporting documents in English for the foreign shareholders in advance.

2.6 The Board of Directors set internal information policies and measures in order to prevent illegal exploitation of the information. The committees, managers, and employees are prohibited to access the internal information and trade the Company's properties one month before the Company's financial disclosure.

2.7 The Board of Directors assigns the committees and managers to report about their gains and losses as well as assigns the responsible person to carefully handle conflicts of interests according to the criteria of the Securities and Exchange Commission.

The Company places great importance on treating shareholders with equality and fairness, and this for treatment can be detailed as follows:

Shareholders meetings

1. Votes are determined by the number of shares held by the shareholder. One share represents one vote.

2. For the shareholders meetings, minor shareholder can submit matters for inclusion as meeting agendas and/or nominate individuals for the Company director election prior to the meeting from December 1, 2015 to December 30, 2015 in accordance with the established criteria, channels and timeframe. This is announced in Thai and English via the channels of the Stock Exchange of Thailand and on the Company's web site. There was not any shareholders propose agenda and nominate candidates, to be elected as directors.

3. For the 22nd annual general meeting of shareholders on April 28th, 2016 the Company has delivered a notice with supporting documents on April 11th, 2016 or 17 days prior to the meeting. It included agendas, the annual report, financial statements, the "B" proxy form, steps of the proxy process, profile of company director candidates and a map to the meeting venue. This is the same set of information published on the Company's web site more than 30 days prior to the meeting in order to allow shareholders sufficient time to review the information.

Foreign shareholders were delivered on English translation together with the Thai version of the meeting notice and supporting documents.

4. The Company encourages all shareholders to be involved in the review and the voting on important matters of the Company in accordance with the meeting agendas. Shareholders who are not able to participate in the meeting on their own may assign another person or a member of the Audit Committee who is an independent director to attend the meeting on their behalf. Names, addresses and interests of all four members of the Audit Committee are declared in the meeting notice. Shareholders can view the information on the four members of the Audit Committee in the annual report, enclosed with the meeting notice, as well.

Shareholders who are not able to participate in the meeting on their own may use the "B" proxy form, enclosed with the meeting notice. This allows shareholders to be involved in the voting. Documents and identification evidence required for the proxy process are described. The proxy process is not associated with any inconveniencing criteria. Alternatively, shareholders can download the proxy form, prepared in accordance with the relevant announcement of the Business Development Department, the Ministry of Commerce, from the Company's web site at www.fareastddb.com The three versions available are "A", "B" and "C" proxy forms. (The latter is used only by foreign investors who have appointed a custodian in Thailand as a depository and manager of their shares.)

The 22nd General Meeting of Shareholders for the year 2016 was held on April 28th, 2016.

	Shareholders	Shares	%
Total number of shareholders as per the registration	329	7,500,000	100.00
Attending Shareholders	57	5,607,082	74.76
<i>Shareholders attending the meeting</i>	17	633,772	8.45
<i>In person Proxy attendance</i>	38	4,973,510	66.31
• <i>Audit committee members</i>	-	-	-
• <i>Other individuals</i>	38	4,973,510	66.31

5. The Company provides duty stamps to the shareholder at no cost for the affixation on the proxy form.

6. The Company fully facilitates shareholders in their exercise of right to participate in shareholders meetings and to vote. Shareholders can register for the meeting at least two hours in advance. Shareholders joining the meeting after it has begun are given the right to vote on agendas which have yet to be reviewed. They are accounted as a part of the quorum from the agenda on which they have voted.

Sufficient personnel and technology are provided to facilitate meeting registration and voting on each agenda. A barcode system is used for convenience, timeliness and transparency.

Insider information usage control

Measures relating to the use of insider information are covered in the Company's code of business ethics. Insider information usage control is a responsibility of directors, executives and staff towards the Company and Shareholders. They must be individuals of integrity, accountability and moral consciousness. Under no circumstance should they exploit their authority for the benefit of themselves and/or others. All relevant employees must protect the interests and the assets of the Company. They must not use information or assets of the Company for the benefit of themselves and or others. All relevant employees must protect the interests and the assets of the Company. They must not use information or assets of the Company for the benefit of themselves and/or others nor should they engage in any action which assists any individual in business that competes with the Company. Copies of these measures have been distributed to all directors, executives and staff for their observance. They are also available on the Company's website www.fareastddb.com As a guideline for them to conduct themselves as they function in their capacity.

The most serious disciplinary punishment established in the Company regulation is the termination of employment. All directors, executives and staff are aware of this and act accordingly.

Supervision of the Company's security trading transaction and report of stake holding

We have in place a measure for the monitoring of our security trading transactions. Our code of ethics has prescribed a prohibition for directors, executives and staff in possession of insider information from selling or purchasing company share within one month before disclosing the financial statements to the public. Every quarter, the Company secretary sends a letter reminding this to directors, executives and relevant individuals. Additionally, directors and executives, as well as, their spouses and under-aged children are required to report their shareholding. Any transaction must be reported to the Securities and Exchange Commission, with a copy sent to the Company secretary for subsequent notification of the Board of Directors at the next meeting. One mandatory agenda to be present at all Board of Directors meetings involves the holding of company shares by directors and executives. A shareholding report form is enclosed with the invitation to the meeting. Directors and executives are well aware that it is their duty to comply.

In the year 2016 directors and executives have complied strictly with the policy. There has been no incidence of trading during the prohibited period.

Further, we have a measure for the monitoring the vested of interest of directors and executives who are required to report to the Chairman of the Board of Directors and the Chairman of the Board of Directors and the Chairman of the Audit Committee, the vested of interest of themselves and individuals related to them using the provided from any change must be reported as well within one month.

All directors and executives have complied strictly with the criteria in 2016.

Conflict of Interests

Conflicts of interests are handled cautiously and rationally, with the greatest benefit to the Company as the key concern. Determination of prices is in compliance with normal fair trade conditions, just like doing business with an outsider. Measures have been implemented to ensure transparency and compliance with the criteria of the Stock Exchange of Thailand. This is a part of good corporate governance and an ethical responsibility towards the Company and the shareholders. To ensure that all parties are equally well informed, disclosures are made of connected transactions in accordance with the Stock Exchange of Thailand Commission announcement on disclosure of information and action of listed companies pertaining to related transactions. Directors with potential interests in the matter being reviewed are required to leave the room and refrain from voting. This is to allow directors without interests to freely voice their opinions and cast their vote. The Company's Secretary would announce the name of directors who are required to leave the room for the agenda at hand. The names and relationship with connected person, the determination of prices under the transaction and the directors with differing opinion from that of

the Board of Directors (if any) are reported to the Stock Exchange of Thailand within the specified timeframe. The information is posted on our website as well for the purpose of transparency and also recorded in the minutes for subsequent reviews.

3. Roles of the Stakeholders

3.1 The Board of Directors is aware of and respects the rights of the shareholders by considering their legal rights and agreements they made with the Company in order to ensure that the mentioned rights are protected and treated fairly and equally. Thus, the Board of Directors set the policies that are the practical guidelines for treating the shareholders, communities, and environment in order to sustainably develop the Company, prevent corruption and intellectual property infringement, and respect human rights.

3.2 The Board of Directors encourages the shareholders to prepare reports that stating their social responsibilities as parts of the annual reports.

3.3 The Board of Directors provides channels and sets procedures for all shareholders to report and submit their complaints about issues that may damage the Company including the accuracy of financial reports or unfair practices. It can communicate through the Company's Secretary to the direct line no. 0-2354-3333 or by email address rachadawan@fareastddb.com The Company's Secretary is responsible for the information and documents, submitting the specific issue to the relevant person and report to the Board of Directors. In this respect the where about or the complaint will be protected and preserved the right to protect the confidentiality of the best.

3.4 The Board of Directors set policies or practical guidelines for protecting the employees or persons who report about issues that may damage the Board of Directors including unfair practices.

4. Disclosure and Transparency

4.1 The Board of Directors controls information disclosure in order to accurately, transparently, promptly, and legally discloses information including reports in accounting periods, situation reports that affect the rights and interests of the shareholders, and other information according to the principles of good corporate governance of the Stock Exchange of Thailand as long as the disclosure does not affect the legal interests of the Company. The information are disclosed through the company's website, the Stock Exchange of Thailand's communication channels in Thai and English, and other channels that provide equal access to the information.

4.2 The Board of Directors assigns an organization(s) or person(s) responsible for investor relations in order to communicate with third parties equally and fairly.

The Company recognizes the importance of accurate financial information disclosure on time in compliance with the standard accounting principles, including non-financial information, to be disclosed with transparency and in completion under law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, and other government units concerned. The Company also constantly monitors and updates such regulations for investors' confidence on the Company's business conduct while adds on benefits to the shareholders. Interested persons may access such information on various channels such as the annual report, the annual statements (Form 56-1), the website of the Stock Exchange of Thailand www.set.or.th, and the Company's website www.fareastddb.com. Any shareholders or investors shall query any concerned issues at the Company's investor relations by calling our Managing Director, Mrs. Chailada Tuntivejakul, at tel. 0-2354-3333, fax 0-2644-9550, or email address: Chailada@fareastddb.com.

The Company has a policy for any transaction which may fall under conflicts of interest which the audit committee shall participate and recommend on such related transaction. The director who has conflicts of interest on such transaction does not participate or vote on that agenda in order to let other directors fairly vote and make a decision by considering the best benefits of the shareholders. The Company summarizes and discloses the resolution on such transaction by specifying its value, contract, reason, and other information concerned accurately, completely and on time according to the criteria of the Stock Exchange of Thailand, with a full report on the annual report and Form 56-1.

The Company constantly follows up, examines, and balances power for ultimate transparency with an internal control system covering management, operation, and finance audited by the Company's auditor. The auditor shall audit the Company's operation according to the conditions required by the Board of Directors in order to prevent problems, suggest practical improvements, find out the causes, and recommend solutions endorsed by the auditing team, including disclose sufficient information for good corporate governance by reporting directly to the audit committee.

The Company discloses its Financial Statement and other information to the public via various channels as complied by the law strictly, completely and timely. Furthermore, the Company also discloses information to express of its' transparency in operating business as follows:

1. Disclosure of each Committee's duty such as numbers of the meeting.
2. Disclosure of share holding's structure and ratio of the Directors and Executives.
3. Disclosure of remuneration's type, description and paid amount in individual.
4. Disclosure of corporate governance, business and employee's ethics.
5. Provide the channels that stakeholders are able to inform a clue or provide information of the significant issue about the accuracy for financial report, internal control deficiency, or illegal and unethical practice. It can communicate through the Company's Secretary to the direct line no. 0-2354-3333 or by email address rachdawan@fareastddb.com. The Company's Secretary is responsible for the information and documents, submitting the specific issue to the relevant person and report to the Board of Directors. In this respect the whereabouts or the complaint will be protected and preserved the right to protect the confidentiality of the best.

5. Responsibilities of the Board of Directors

5.1 The Board of Directors defines the structure of the committees including any gender of persons who have various knowledge, capabilities, and experiences as well as the qualities required by laws. The Board of Directors must have at least one member or independent committee who is not a director and has experiences in the Company's business according to the announcements of the Securities and Exchange Commission.

5.2 The Board of Directors gives the definition of the independent committee according to the criteria of the Securities and Exchange Commission and other criteria.

5.3 The Board of Directors appoints sub-directors who screen issues before submitting the issues to the Board of Directors.

5.4 The Board of Directors provides charters for the committees stating their service terms and scope of duties and authorities in order to clearly define the duties and responsibilities of the committees, subcommittees, and managers.

5.5 The Board of Directors sets policies requiring that the committees and managers who the committees of other companies must report their statuses to the Board of Directors.

5.6 The Board of Directors appoints the secretary of the board who performs legal and assigned duties. The secretary should have legal or accounting knowledge and received trainings about secretary's duties. The secretary should regularly receive trainings and improve his/her knowledge.

5.7 The Board of Directors sets policies about corporate governance as well as business ethics and morals that are followed by the committees, managers, and employees.

5.8 The Board of Directors sets the Company's visions and missions that are followed by the committees, managers, and employees.

5.9 The Board of Directors sets policies that support and promote regularly developing the managers' and employees' knowledge.

5.10 The Board of Directors annually prepares meeting schedules. Meeting agenda relates to the fair interests of all shareholders and stakeholders. All committees are free to express their opinions. However, the committees who are stakeholders have no right to vote in a meeting(s) that they may gain or lose their interests.

5.11 The Board of Directors assigns the committees to attend every committee meeting, except that they have necessity to not attend the meeting.

5.12 The Board of Directors has policies that encourage the top managers to attend committee meetings.

5.13 The Board of Directors has policies that provide opportunities for the committees who are not the managers to conduct their private meetings as necessary without managers. Nevertheless, they should result the meeting results to the managing directors.

5.14 The Board of Directors has policies that encourage all committees to access and receive necessary information from the managing directors, secretary of the board, and other authorized persons within the scope defined by the policies. In case of necessity, the committees may consult with external consultants or professionals. In that case, the relevant expenses are responsible by the Company.

5.15 The Board of Directors has measures for carefully and reasonably dealing with conflicts of interests according to the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand.

5.16 The Board of Directors prohibits the committees and managers to trade the company's properties one month before the financial disclosure.

5.17 The Board of Directors assigns the committees and managers including their spouses and children who have not become their legal ages to report their ownership of the Company's properties and exchange of the properties to the Securities and Exchange Commission and to submit the copies of relevant documents to the secretary of the board who will then report the committees in committee meetings.

5.18 The Board of Directors assigns the committees and managers to report about their gains and losses as well as relevant persons according to relevant criteria.

5.19 The Board of Directors establishes an internal audit unit that reports audit results to the Audit Committees.

5.20 The Board of Directors specifies that the performance of the committees must be annually evaluated.

5.21 The Board of Directors reports about the responsibilities of the committees for financial reports in the annual reports.

5.22 The Board of Directors controls payments for the committees in order to appropriately pay them according to their duties and responsibilities as compared to other companies in the same industry.

5.23 The Board of Directors sets succession policies for promoting employees to higher positions.

5.24 The Board of Directors conducts first orientations for new committees.

5.25 The Board of Directors has to acquire internal control system and risk management system.

5.26 The Board of Directors assigns the committees to monitor and evaluate the Company's business activities.

Remark : As the Securities and Exchange Commission has changed Good Corporate Governance to Corporate Governance Code (CG CODE), the Company recognizes the importance of this principles and in the process of study and adaptation.

Knowledge development for employees

In 2016, Far East DDB continues emphasis on the development of the employee's potential on digital competency in order to develop themselves to keep pace with the changes in the digital age. So that, the company can create effective communication campaigns that serve multi-screen consumers nowadays.

The followings are the digital training courses for the employees through the year 2016.

- DAAT Digital Day 2016 : update knowledge and information of social media in the digital age.

- YouTube Academy Day : learn about strategy and how to create the effective content on YouTube.
- ADFEST 2016 : Creative Intelligence
- BAD Talks 2016 : Branded Entertainment, The Future of Advertising, The New Creativity by The Next Gen, Creative for Goldfish, The Power of Keyword
- Video Editing : develops knowledge of video for Creative Department to enhance their potential of producing better advertisements.

In addition, the company also pays attention to staff training at all levels to have a good attitude both in working performance and their own lives.

- Subconscious Mind Power Techniques and How to Understand People by Mr. Boonkiet Chokwatana

And indispensable trainings for this year is to educate employees at all levels about the relevant anti-corruption measurements in order to comply with the anti-corruption policy, which is the major policy of the Company, as follows:

- Best Practice for anti-Corruption Measure
- Thailand's Private Sector Collective Action Coalition against Corruption (CAC)
- Corporate Governance Code for Board of Directors of Listed Company

At last, the company also manages technical training for staffs to increase their knowledge and expertise such as;

- Company Secretary Program
- Leadership & Coaching Program
- ASEAN Chartered Professional Accountant (ASEAN CPA)
- Department of Business Development's e-Filing Techniques

Business Ethics

1. Responsibilities for the Stakeholders

1.1 Shareholders

The Board of Directors responsibly, carefully, and honestly performs their duties in order to continually and sustainably provide returns to the shareholders according to the following policies and guidelines.

- 1) Respect the ownership rights of the shareholders as well as equally and fairly treat the shareholders.
- 2) Perform their duties according to the principles of good corporate governance in order to build shareholder trust that can lead to sustainable growth.
- 3) Continually develop the Company's business and provide appropriate returns for the shareholders.
- 4) Provide important information that affects or may affect the rights and benefits of the shareholders including information in accounting periods and situation information according to laws and relevant announcements without limiting the right of the shareholders to access the Company's information.
- 5) Provide reports about the responsibilities of the committees for financial reports in the annual reports.
- 6) Provide opportunities for the minor shareholders to propose meeting agendas and/or nominate committees in the annual general meetings of shareholders.
- 7) Provide opportunities for the shareholders to submit their questions before the shareholder meetings.

8) Post the notices in Thai and English calling for meetings on the Company's website at least 30 days before the shareholder meetings in order to notify and give time to the shareholders to find information.

9) Conduct the shareholder meetings on dates, in time, at locations, and with methods that facilitate the attendants and provide opportunities for the shareholders who cannot attend the meetings to authorize other persons to attend and vote.

10) Carefully and reasonably deal with conflicts of interests and disclose complete information.

11) Protect the Company's interests and properties as their own interests and properties and prevent illegally direct or indirect exploitation of the interests and properties.

1.2 Customers

The Board of Directors realizes that customer satisfaction and trust are the keys to the sustainable success of the company according to the following policies and guidelines.

1) Have production processes and services that are safe for the consumers and environmentally friendly.

2) Seriously conduct business activities, improve services, and develop new materials or advertising media in order to continually respond customer demands while providing accurate information necessary for decision making.

3) Honestly and fairly conduct business activities without violating customer rights. Confidentially keep and do not illegally use customers' trade secrets for their own benefits.

4) Do not directly or indirectly ask for, receive, or agree to receive any illegal property or other benefits from the customers.

5) Comply with trade agreements. Otherwise, notify the customers in advance in order to jointly find solutions and prevent possible damages.

6) Provide a communication channel(s) for customers to submit their complaints to the Company. Fairly consider and treat the complaints.

1.3 Partners

The Board of Directors neutrally treats the Company's partners and is aware of the mutual benefits according to the following policies and guidelines.

1) Utilize the value chain system in order to select partners that legally conduct their businesses according to safety, health, and environment standards by fairly, neutrally, and respectfully treating the partners.

2) Confidentially keep the partners' trade secrets. Do not illegally use the trade secrets for their own benefits or other persons' benefits.

3) Build good relationships with the partners, share knowledge, and jointly develop and improve the qualities of the products and services in order to grow together.

4) Comply with the trade agreements and provide accurate information for the partners. Otherwise, consult with the partners in advance in order to find solutions and prevent possible damages.

5) Do not ask for, receive, or agree to receive any properties or other benefits that are not stated in the trade agreements.

1.4 Competitors

The Board of Directors legally conducts business activities according to the following policies and guidelines.

1) Fairly compete with the competitors according to the business ethics and competition laws in the countries that the Company conducts its business activities.

2) Do not discredit the competitors.

1.5 Creditors

The Board of Directors systematically and disciplinarily conducts business activities in order to build creditor trust according to the following policies and guidelines.

1) Equally and fairly treat all creditors.

- 2) Strictly comply with the agreements made and conditions agreed with the creditors.
- 3) Manage activities in order to build creditor trust in the company's financial status and competence.
- 4) Accurately and promptly disclose the company's financial status.
- 5) In case that the board of director cannot comply with any agreement made with the creditors, the board of director has to inform the creditors in advance in order to find solutions and prevent possible damages.

1.6 Employees

The Board of Directors considers that the employees are valuable resources and factors to the Company's success as the board of director set the following policies and guidelines.

- 1) Respect the employees' human rights and fundamental rights to work. Do not disclose or transfer their information or secrets to a third party(ies).
- 2) Treat the employees according to laws and regulations regarding to the Company's business.
- 3) Promote employment equality. Resist racism and discrimination in terms of gender, religion, age, disability, and any other statuses that are not directly related to their jobs.
- 4) Support and promote trainings and knowledge sharing in order to improve all employees' knowledge, skills, and job securities as well as provide job advancement opportunities according to their capabilities.
- 5) Encourage the employees to involve in setting the Company's directions.
- 6) Fairly pay the employees according to their knowledge, skills, responsibilities, and performances.
- 7) Provide appropriate welfares and privileges for the employees such as free medical treatment.
- 8) Provide a communication channel(s) for the employees to submit their complaints about their jobs. The complaints must be considered and used to find solutions in order to provide benefits for all parties and build good relationships among the parties.
- 9) Provide necessary facilities for the employees to do their duties. Create hygienic working environments in order to improve their life qualities.
- 10) Encourage all employees to participate in social responsibility activities.

1.7 Communities and Societies

The Board of Directors considers the duties and responsibilities for the country, communities, societies, and local cultures and customs in order to maintain good societies according to the following policies and guidelines.

- 1) Do not conduct business activities that negatively affect societies. Do not violate the rights of the people in communities and societies.
- 2) Foster responsibilities of all employees for communities and societies.
- 3) Promote cultural preservations.
- 4) Cooperate with organizations in order to develop communities.
- 5) Support activities that provide public benefits.
- 6) Build good relationships between the company and societies by legally, transparently, and fairly conduct activities

1.8 Environment

The Board of Directors considers the responsibilities for environment as the following policies and guidelines are set.

- 1) Conduct business activities according to laws, regulation, and policies regarding environment by considering possible effects on the nature and environment and regularly evaluating its performance.
- 2) Foster corporate cultures and responsibilities of all employees for efficiently and sustainably managing environment and resources.

- 3) Support activities that provide knowledge for and train all employees about environment.
- 4) Promote environmental management systems that include efficient uses of resources and measures for sustainably treating, restoring, compensating, monitoring, and preventing effects on natural resources and environments.
- 5) Utilize the value chain system to choose partners who conducting business activities that are environmentally friendly.
- 6) Promote the development and dissemination of environmentally friendly technologies.

1.9 Public Sector

The Board of Directors conforms to the public regulations as the following policies and guidelines are set.

- 1) Study laws relevant to their duties. Do not conduct any illegal activity.
- 2) Make correct transactions with government officers or organizations.
- 3) Build a good relationship between the Company and public sector as appropriate.
- 4) Comply with laws and cultures relating to business operations in each country or community.

2. Conflicts of Interests

The Board of Directors has policies about conflicts of interests as the following guidelines are set.

1. Carefully, fairly, and reasonably deal with conflict of interests or relevant Issues by following transparent processes and valuing the Company's interests. The committees who have gains and losses in the issues cannot vote and they have to disclose complete information according to the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand.
2. Legally protect the Company's interests. Do not take any action that conflicts with the Company's interests and provide benefits or privileges for any person.
3. Assign the committees and managers to report their gains and losses and that of responsible persons according to relevant criteria.
4. Do not allow committees, managers, and employees who can access internal information to trade the Company's properties one month before the financial disclosure.
5. Assign the committees and managers including their spouses and children who have not become their legal ages to report their ownership of the Company's properties and exchange of the properties to the Board of Directors in board meetings.
6. Do not disclose or transfer the Company information or secrets that the Board of Directors know to a third party(ies) or unauthorized person(s).
7. Authorized the employees to disclose the information according to their duties and responsibilities. Set the confidentiality levels of the information if it is possible to do so.

3. Reception Receiving or Giving Gifts

The Company has a policy of not accepting or giving gifts including reception that may influence the decision making. Unless the giving or receiving of gifts and a reception that is in fairly traditional and to maintain a good relationship with the business partners. According to the guidelines as follows:

(1) employees can give / receive a gift and a reception to / from any person in the following conditions :

1. To comply with the Business Ethics , regulations and announcements of the company including laws
2. Give or receive to the public on behalf of the Company, not on behalf of the Board of Directors, management and employees.
3. Appropriate time such as gifts during festivals or traditional gifts

(2) Employees can receive the traditional gift which is estimated at less than 3,000 baht. In case that the gift worth more than 3,000 baht, they has to be report to a supervisor, respectively. In addition, the

gift must be delivered to the Human Resources Department to be awarded to employees or donate to charity, as appropriate.

4. Anti-fraud and Corruption

The Board of Directors of Far East DDB Public company Limited has approved the resolution to sign a Declaration of Intent of Collective Action Coalition Against Corruption enacted by Thai Private Sector on January 30, 2014. In order to be in compliance with the Company's Corporate Governance as well as to adhere to the commitment and social responsibility, the Company follows the policy relevant to laws countering corruption by prohibiting the Company directors, executives and employees from accepting or supporting every type of corruption both direct and indirect manner, which is written for exercising it as follows.

1. The Company will not be a party to pay bribes. In case of charitable contributions, political contributions as well as offering gifts in a business manner, this must be transparent, explainable and audited.

2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.

3. The Company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties and company's data to seek benefits for oneself for others.

4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting or taking part in any fraud and corruption.

5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.

6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

This anti-corruption policy is approved by the Board of Directors' Meeting No.201 (3/2015) on March 20, 2015 and effective on March 23, 2015.

In 2016, the Company submitted a Self-Evaluation Tool to The Private Sector Collective Action Coalition Against Corruption (CAC) in order to enter into the certification process. On October 14, 2016 the company has been certified as a member of CAC.

The company will continue to train and educate the management and employees about the best practices of anti-corruption. There will also be extended the same principle of anti-corruption to subsidiaries, associates, suppliers and business partners of the company.

More information of the Anti-Corruption Policy and the Best Practice for Anti-Corruption of the company are publicized in the website : www.fareastddb.com.

5. Anti-infringement for Intellectual Properties

The Board of Directors has policies that prevent intellectual property infringement according to the following guidelines.

1. Conduct business activities that comply with laws, regulations, and agreements about intellectual property rights.

2. Protect the Company's intellectual properties. Do not use or give the mentioned intellectual properties to a third party(ies) without the Company's permission(s).

3. Respect others' intellectual property rights. Do not violate their intellectual property rights or use their intellectual properties for self-benefits, except that the persons get paid or permit to do so.

4. The work piece(s) created by the employee(s) or from his/her duty(ies) is considered as the company's intellectual property. After he/she is disemployed, he/she has to return the mentioned intellectual property to the Company regardless of the format of the intellectual property.

6. Human Rights Protection

The Board of Directors respects human rights according to the following policies and guidelines.

1. Do not take or support any action that violates human rights.
2. Educate the employees about the principle of human rights that can be applied to their jobs.
3. Do not limit their freedom or thoughts regarding gender, race, religion, politics or any other issue. Prevent expression of an opinion(s) that may lead to a conflict(s).
4. Provide a communication channel(s) for the employee(s) or person(s) who believes that his/her right(s) is violated or receive unfair treatment to submit his/her complaint(s) to the Company. The complaint(s) should be fairly considered and resolved.

7. Safety and Occupational Health

The Board of Directors values safety and occupational health according to the following guidelines.

1. Conduct business activities that comply with laws, regulations, and policies regarding safety, occupational health, and working environment by considering the employees', partners', and stakeholders' lives and assets as well as regularly checking and evaluating safety practices.
2. Promote workplace safety by setting safety regulations, practices, and standards relevant to existing risks. Improve working environment and process. Provide safety equipment for the employees.
3. Prepare for emergency situations by regularly conducting and improving emergency response practices in order to prevent or reduce risks for lives and the assets of the Company, employees, partners, and responsible persons.
4. Develop safety cultures in the organization that can improve workplace safety.

Ethics for the Committees, Managers, and Employees

1. Responsibilities

The Board of Directors realizes the importance of good corporate governance that has been continually implemented and used as the practical guidelines for the committees, managers, and employees to ethically, honestly, and carefully take actions in order to maximize the Company's and all parties' benefits. Hence, the following ethical principles are set.

Committees and Managers

1. Responsibly, carefully, and honestly perform their duties according to laws, the Company's regulations, and relevant announcements.
2. Perform their duties with all of their abilities in order to maximize the Company's benefits. Attend all meetings, except in case of necessity.
3. Neutrally perform their jobs. The committees and managers who have gains and losses in a meeting cannot vote in that meeting.
4. Carefully and reasonably deal with conflicts of interests by emphasizing on the Company's benefits in order to transparently manage the issues.
5. Follow relevant criteria and report about trading the Company's properties by the committees and managers including their spouses and children who have not become their legal ages to the committees in meetings.
6. Do not trade the company's properties one month before the financial disclosure.
7. Report their and responsible person(s)' gains and losses according to relevant criteria.
8. Annually evaluate the committees' performances.

Employees

1. Regularly support and cooperate with the Company in conducting business activities. Perform their duties with all of their abilities in order to provide good results and develop the Company and employees.
2. Comply with laws, policies, working regulations, and relevant rules and announcements.
3. Treat visitors in a good manner. Provide excellent services for them. Protect the Company's image and reputation.
4. Confidentially keep the Company's trade secrets and internal information away from third parties.
5. Do not borrow money from the customer(s), their relative(s), or partner(s); except for borrowing money from a bank(s) or financial institution(s).
6. Follow the supervisors' legal orders.
7. Work in a team(s). Help and harmonize with each other. Respect each other's right(s) for the Company's and employees' benefits.
8. Kindly treat the colleague(s). Do not blame others without any fact. Do not claim other person(s)' workpiece(s) as it is yours.
9. Seriously and honestly perform their duties. Do not find a benefit(s) that is not for them or other person(s) while performing their duties.
10. Responsibly and honestly perform their duties. Do not be careless and cause any damage on their jobs or the Company's assets.
11. Behave as good citizens according to the constitution and relevant laws by appropriately using their political rights. Avoid being involved in any illegal activity or one that goes against peace and morals.

2. Protection of the Company's Assets

The Committees, managers, and employees have the duties and responsibilities for efficiently protecting the company's assets and assets under the control of the Company according to the following guidelines.

1. Use the Company's assets for conducting the company's business activities. Do not use the mentioned assets for their own or other person(s)' benefits.
2. Protect and prevent the wrongly uses of the Company's benefits and assets as their own benefits and assets. Prevent illegally direct or indirect explanation of the benefits and assets.
3. Acquire insurance for the assets in an amount(s) that is sufficient for compensating a possible damage(s) to the assets.
4. Do not use a computer(s) to delete, violate, spy on, and edit other person(s)' file(s) or do not create a false evidence that may lead to stealing information. Utilize an information security system(s) that meets international standards.
5. Carefully use an e-mail(s) and the Internet service(s) provide by the Company to conduct the Company's business activities without damaging the Company's reputation.
6. Confidentially keep and do not allow any other person to use the personal username(s) and password(s) for accessing the company information.
7. Do not duplicate, modify, and take any action with the Company's intellectual property(ies) for self-benefits or any other person(s)' benefits without the permission(s) from the Company.
8. Report the supervisor(s) if there is a person(s) take any action that infringe or may infringe the Company's intellectual property(ies) as well as that lead or may lead to a conflict(s) of the intellectual property(ies).
9. Store all of the Company's important documents according to relevant laws and regulations. After the storage period(s), the responsible employee(s) has to destroy the important document(s) by using an appropriate method(s).

3. Whistle Blowing and Complaints

The Board of Directors provides opportunities for the employees and stakeholders to report suspected wrongdoing and submit their complaints regarding issues that may be illegal actions, corruption, misbehaviors of the employees in the Company, behaviors that may cause problems and damages to the Company, infringement of their rights, or unfair treatments through the channels and processes specified by the Company.

The Company equally, transparently, and fairly considers and resolves all complaints according to the systematical and fair whistleblower protection measure. The information of the complainants is confidentially kept by the Company.

Whistle blower Protection

1. A complainant can choose to not disclose him/herself if he/she considers that the disclosure may cause risk(s) or damage(s) to him/her.

2. The Company confidentially keeps relevant information and considers the safety of complaints by setting the whistleblower protection measure for the complaints who are the employees and persons who support the investigation. Accordingly, they are protected from unfair treatments (e.g. interference, position switch, and layoff) reported by them.

4. Consideration of Complaints

The supervisors' duties and responsibilities are to provide suggestions for their subordinates in order to make them understand and follow the ethical principles. If the principles do not cover any case or there is any doubt, then the subordinates have to consult with their relevant supervisors. In case of conflict, the decisions of the managing directors, Board of Directors, and committees are final.

Committees

The Company's Board of Directors has extensively emphasized good corporate governance, thus the committees are assigned to have individual duties and responsibilities which are comprised of the Audit Committee, the Risk Management and Anti-Corruption Committee. Each committee has authority, duty and responsibility as stated on committee's charter as follows:

The Audit Committee

The Board of Directors sets up the Audit Committee to support its corporate governance in aspects of process of financial report, internal control, audit process, and the adherence of related rules and regulations. The Audit Committee consists of four company directors, who are the Independent Directors.

- | | | |
|---|----------------|-----------------------------|
| 1. Mr. Khachornsakdi | Vanaratseath | Chairman of Audit Committee |
| 2. Mr. Amorn | Asvanunt | Audit Committee Member |
| 3. Mr. Vichit | Tantianunanont | Audit Committee Member |
| 4. Mrs. Chattong | Tippayakalin | Audit Committee Member |
| Secretary to the Board of Audit Committee : | | Mrs. Suree Muennarintr |

Duties and Responsibilities of the Company Audit Committee

1. Review the Company's financial statements to ensure that they are accurate and adequate by reviewing the Company's major accounting policies, and supervising information disclosure in such manner complying with Thai Financial Reporting Standards.

2. Review the Company has suitable and efficient internal control system and review internal audit.

3. Review the Company's implementation of anti- corruption policy options.

4. Review operational independence of the internal audit including of appointment, transfer and dismissal of the chief of internal audit.

5. Grant approval and monitor the progress made in relation to the internal audit plan.

6. Review that the Company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the Company's business.

7. Review, select, nominate and/or dismiss independent persons to serve as the company

auditor, and propose related remuneration. Also take part in joint meeting with the company auditor, in the absence of the management for at least once a year.

8. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the notification of the Capital Market Supervisory Board and that they are justified and are of maximum benefits to the company.

9. Prepare the Audit Committee reports to be disclosed in the Company's annual report; such reports must be signed by the Chairman of the Audit Committee and it must contain, at least, some significant information as described below:

a) opinions about the accuracy, correctness and reliability of financial statements and financial reports of the Company;

b) opinions about the sufficiency of internal control system of the Company;

c) opinions about the compliance with laws on securities and exchange, requirements of the Stock Exchange of Thailand and any other laws relating to the Company's business;

d) opinions about the appropriateness of external auditors;

e) opinions about transactions with potential conflict of interest;

f) number of meetings to be convened by the Audit Committee and meeting attendance of each Audit Committee member;

g) opinions or general findings obtained by performing its duties in accordance with the Audit Committee Charter;

h) opinions about other matters that should be notified to general shareholders and investors under the scope of duties and responsibilities assigned by the Board of Directors.

10. In performing the duties as the Audit Committee, if discovering or suspecting of either of the following transactions or acts, which may give significant effects to the financial status and operating results of the Company, the Audit Committee must report it to the Board of Directors for improvements within the reasonable period determined by the Audit Committee:

a) transaction with potential conflict of interest;

b) Significant fraud and corruption, irregularity or deficiency within the internal control system.

c) violation of laws on securities and exchange, requirements of the Stock Exchange of Thailand and any other laws relating to the Company's business. If the Board or management of the Company fails to make remedies within the established period, one of the Audit Committee members may report such transaction or act to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

11. Support and monitor to ensure that the Company acquires the efficient risk management system.

12. Supervise to ensure that the company implements adequate management system in accordance with the good corporate governance practice.

13. Review, revise and amend the Audit Committee Charter for further submission to The Board of Directors for approval.

14. Implement self-appraisal review at least once a year.

15. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

The period of service for Audit Committee Member is 1 year. An Audit Committee Member who retires from office due to the expiration of term of service may be re-elected. In case of vacancy in the Audit Committee for reasons other than by the expiration of term of service. The Board of Directors shall elect a fully qualified person to be a substitute member and shall remain in office only for the term left for the member whom he or she replaces.

Participation in the Audit Committee meetings in 2016

In 2016, the Audit Committee held 4 meetings and the participation of each committee member is summarized below.

Names	Qualifications	Attendance of 4 meetings
1. Mr. Khachornsakdi Vanaratseath	Accounting	4/4
2. Mr. Amorn Asvanunt	Accounting	3/4
3. Mr. Vichit Tantianunanont	Consumer Products	4/4
4. Mrs. Chattong Tippayakalin	Administration	4/4

The Risk Management and Anti-Corruption Committee

The Board of Directors sets up the Risk Management and Anti-Corruption Committee to support its corporate governance in aspect of management of risk of the Company to be more efficiently performed.

The Risk Management Committee comprises 8 members as following names;

- | | | |
|------------------|----------------|---|
| 1. Mr. Vichit | Tantianunanont | Chairman of the Risk Management and Anti-Corruption Committee |
| 2. Mr. Wichar | Ldallitsakool | Member |
| 3. Mrs. Malee | Leelasiriwong | Member |
| 4. Mrs. Chailada | Tantivejakul | Member |
| 5. Mr. Arthorn | Maeknoparat | Member |
| 6. Mrs. Suree | Muennarintr | Member |
| 7. Miss Waraporn | Kulsawatpakdee | Member |
| 8. Mr. Anupol | Puwapoonpol | Member |

Secretary to the Risk Management and Anti-Corruption Committee : Miss Sujitra Makanit

Duties and Responsibilities

Risk Management

1. Formulate the risk management policy and goals, plan and organize the risk management system of the Company to allow the system continuity and clarity for further managing any significant risks, and report such risks to the Board and communicate them to the Audit Committee.
2. Support and encourage the cooperation for risk management at all levels in the organization.
3. Ensure that the Company's risks are controlled appropriately and efficiently by placing emphasis on the risk warning system and any other abnormal transactions.
4. Collect, analyze the risk assessment in the areas that have impact on the company's business that may occur in each quarter.
5. Develop the risk management system in the organization to ensure that it is efficient and consistent;
6. Improve and amend the Risk Management and Anti-Corruption Committee Charter to be proposed for the Board's approval;
7. Perform other functions assigned by the Board.

Anti-Corruption

1. Formulate the Anti-Corruption Guidelines for compliance with corporate governance and monitor, assess the operation result and report to the Board of Directors and Audit Committee.
2. Promote and support the Board of Directors, Management and employees to follow the Guideline of corporate governance and anti-corruption policy.
3. Collect, analyze the risk assessment in the area of anti-corruption that have impact on the company's business that may occur in each quarter.
4. Ensure that the company has officially notified clues and complaints channel about corruption, with the protection and the confidentiality of the whistleblower including an independent investigation and suitable monitoring process.

5. Improve and amend the Charter of Risk Management Committee and Anti-Corruption Committee, the Anti-Corruption Policy and Manual of Operation for Anti-Corruption Policy in order to comply with changes in laws, business, environment and risks to be proposed for the Board's approval.
6. Perform other functions assigned by the Board.

Participation in the Risk Management and Anti-Corruption Committee meetings in 2016

In 2016, the Risk Management and Anti-Corruption Committee held 4 meetings and the participation of each committee member is summarized below.

Names		Qualifications	Attendance of 4 meetings
1.	Mr. Vichit Tantianunanont	Chairman of the Risk Management and Anti-Corruption Committee	4/4
2.	Mr. Wichar Ldallitsakool	Member	4/4
3.	Mrs. Malee Leelasiriwong	Member	3/4
4.	Mrs. Chailada Tantivejakul	Member	3/4
5.	Mr. Arthorn Maeknoparat	Member	3/4
6.	Mrs. Suree Muennarintr	Member	4/4
7.	Miss Waraporn Kulsawatpakdee	Member	4/4
8.	Mr. Anupol Puwapoolpol	Member	3/3

Recruitment and appointment of directors and senior management

Independent Directors

The qualifications of independent directors are as per the following requirements of the Equity Market Committee.

1. The person must hold no more than one percent of all shares of the Company with which he or she holds the voting right, as well as, its parent company, its subsidiary, its joint venture or a juristic person with a possible conflict of interests. The shares held by individuals related to the Independent Director must also be included.

2. The person must not be or have been a director with involvement in the management of the Company; an employee, a staff member or a consultant with a regular salary; or, an individual with the authority to control the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

3. The person must not be an individual with blood or legal relation—as a father, a mother, a spouse, a sibling or the spouse of a child—to an executive, a major shareholder, an individual with the controlling authority, or an individual who will be nominated as an executive, or an individual with the controlling authority of both the Company or its subsidiaries.

4. The person must not have or have had a business relation with the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests in such a manner which may interfere with the free exercise of one's discretion. Also, the person must not be or have been a major shareholder, a director who is not an independent director or an executive of an entity with business relation with the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

The business relations under the above paragraph is inclusive of conventional trading transactions to conduct the business; lease or renting of property; transactions involving assets or service; provision or acceptance of financial assistance in the form of granting or acceptance of loans or guarantee;

and the use of assets as collateral for loans including other similar acts which result in the petitioning party being obligated to repay the other party for the amount from three percent of the net corporeal assets of the petitioning party or from Twenty Million Baht, whichever is lower. The calculation of such debt obligation is on the basis of calculation of related transaction value, as per the Stock Exchange of Thailand Committee Announcement on the Disclosure of Information and Allowed Practices of Listed Companies Concerning Related Transactions. The determination of debt obligation is inclusive of debt obligation arising during one year prior to the date of business relations with the same individuals.

5. The person must not be or have been an auditor of the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. Also, the person must not be a major shareholder, a director who is not an independent director, an executive or a managing partner of the audit office to which an auditor of the Company, the parent company, a subsidiary, a joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests belongs. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

6. The person must not be or have been a professional legal consultant or a financial consultant receiving greater than two million baht of fee per year from the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests. However, in the case where the professional in question is a juristic person, the person must not be a major shareholder, a director who is not an independent director, an executive or a managing partner of that professional entity. There is, however, an exception if the person has not been involved in such circumstances for at least two years prior to the day on which he/she is appointed as an independent director.

7. The person must not be a director appointed to represent a company director, a major shareholder or a shareholder who is related to a major shareholder of the Company.

8. The person must not engaged in a business which is of the same nature as, or in competition with, that of the Company or the subsidiaries. Not a significant partner of a partnership or a director with involvement in the administration, nor an employee, a staff member a consultant with a regular salary, nor a shareholder with more than one percent of all shares with voting rights of another company which is engaged in a business of the same nature as, or in competition with, that of the Company or subsidiaries.

9. The person must not have any other characteristics which render him or her incapable of freely opining on the operation of the Company. In the case where the Equity Market Committee announces a change of qualifications of independent directors, the requirements of the Company independent directors will also change accordingly.

Following the appointment as an independent director under Paragraphs 1 to 9, the independent director may be assigned by the Board of Directors to make decisions on the business of the Company, its parent company, its subsidiary, its joint venture, a subsidiary of the same level or a juristic person with a possible conflict of interests in the manner of a collective decision.

Criteria on Recruitment and Selection of an Independent Director

The Board of Directors shall consider a recruitment of an independent director in compliance with the regulations and conditions of the Securities and Exchange Commission and the Stock Exchange of Thailand in order to propose to the shareholders in the shareholders' meeting for their approval.

In 2015, the company has 4 independent directors as follows.

Names		Qualifications
1.	Mr. Khachornsakdi Vanaratseath	Accounting
2.	Mr. Amorn Asvanunt	Accounting
3.	Mr. Vichit Tantianunanont	Consumer Products
4.	Mrs. Chattong Tippayakalin	Administration

2. President and Chief Executive Officer

The Company's Board of Directors comprised of members who have knowledge, competency that play an important role in definite the Company's policy. It cooperates with senior Executives to set short and long term plan of business operation, financial policy, risk management, overview of organization inclusive of corporate governance, audit and evaluate the performance of the Company as well as the practice of the Company's Board of Directors along with the set principles independently. The Company's Board of Directors is from the election following the resolution of the General Shareholder's Meeting along with the rules, legal and the Company's Principle of Association that is appropriate to the Company's business.

The Structure of the Board

The Board of Directors is comprised of 12 directors:

- Executives Directors 5 persons
- Non-Executive Directors 3 persons
- Independent Directors 4 persons

As the selection committee has not been appointed; the Board of Directors shall select the directors with appropriate capability, knowledgeable, vision, ethics, background, and mentality. The Board of Directors clearly assigned the responsibility of each committee, and appointed the Managing Director, under the Board of Directors, to manage all business operations to meet the Company's objectives and goals by complying with the policies of the Board of Directors.

Authority of the Director

Group A. Mr.Boonchai Chokwatana, Mr.Wasin Teyateeti, Mrs.Chailada Tantivejakul, Mr.Wichar Ldallitsakool, Mrs.Malee Leelasiriwong.

Group B. Mr.Arthorn Maeknoparat, Mr.Chailadol Chokwatana, Miss Waraporn Kulsawatpakdee

any two of Group A. can sign with the Company's seal or one of Group A. sign with other one of Group B. with the Company's seal.

The Board of Directors may designate the names of the directors who have the power to affix their signatures together with the seal of the Company to be binding on the Company.

Directorial Election Procedure

According to the Article of Association Chapter 3, 'The Board of Directors' No.20, the shareholders meeting is to elect directors in accordance with the following criteria and procedure :

- 1) A shareholder shall have one vote for one share.
- 2) Each shareholder must exercise all of the votes he or she has under 1, to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.
- 3) The persons having the highest number of votes to the lower number of votes in order shall be elected as the directors equal to the number of directors to be elected by the Shareholders' Meeting in such election. In case where the number of votes for the candidates in descending order are equal which would otherwise cause the number of directors to be elected by the Shareholders' Meeting to be exceeded in such election, the Chairman shall have a casting vote.

Directorial Term of Service

(A) Term Completion Retirement

In accordance with Articles of Association Chapter 3 'The Board of Directors' No. 21 and the Company Charter, one-third of the directors have to retire from the post at each annual general meeting. In the case where the number of directors cannot be divided by three, the number of directors to retire is to be closest to one-third. During the first two years after the company's registration, a lottery draw needs to be cast among company directors to identify the one-third directors who have to retire at each annual general meeting. After the first two years, the lottery draw is no longer needed as the longest-serving directors are asked to retire. Directors who retire from the post may be re-elected.

(B) Non-Term Completion Retirement

1. In accordance with Articles of Association Chapter 3 'The Board of Directors' No. 22 and Charter, directors are to be retired from the post (in a case other than completion of term) under the following circumstances :

1.1 Death

1.2 Resignation

1.3 Lack of required qualifications or having a prohibited character as specified by the law or company regulations

1.4 Being described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission

1.5 Removal from office at the resolution of the shareholders meeting

1.6 Removal by court order

Once a post of director becomes vacant due to a reason other than completion of term, and that the remaining term is longer than two months, the Board of Directors is to select a qualified individual who is free of any prohibited characteristics as a replacement at the next Board of Directors meeting. The replacement member is to serve for only the remaining term of the director whom he/she replaces.

2. According to Articles of Association Chapter 3 'The Board of Directors' No. 25 the shareholders meeting may pass a resolution removing any director prematurely with at least three-fourths of the votes of present and eligible shareholders who have in total the number of shares of at least half of the shares held by present and eligible shareholders.

The Company has not fixed the maximum amount of director term as we believe that the ability to manage business and the expertise of each director are not dependent upon their age. Directors can remain in office for as long as they are committed to their duties as company directors and trusted by the Board of Directors and the shareholders. Ultimately, it is the authority of shareholders to elect individuals as directors to establish policies and act on their behalf.

Directors' Ratio on behalf of Shareholders' Representative

- None.

Overseeing the operations of its subsidiaries and associates

The Company has a policy of investment in subsidiaries and associates. By focusing on the business synergy, tracking the performance of their respective companies and regularly reporting to the Board. The Executive will consider the main business of those companies in order to send a skilled and expertise person to represent the Company as an co-investor.

Insider information usage control

The Company has policies and procedures to control and handle the management not to use the internal information within the Company for their own benefit. Including securities trading, especially in the one month period before the financial statements will be publicized.

The directors must submit a copy of holding statements delivering to the Stock Exchange every time there is a change to the company secretary to propose to the meeting of the Board of Directors.

Compliance with good corporate governance principles in other matters

The Company has complied with the principles of good corporate governance for listed companies according to the Stock Exchange requirements for other matters except those disclosed above.

-None.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

This year, the company gives the importance on Corporate and Social Responsibilities (CSR) campaign by continuing the 10th anniversary school project under the concept of “Farm Sook, Farm Charoen” and “CBS Academy Workshop Episode 2 ” detailed as follows:

1. The 10th Anniversary school project : “Farm Sook, Farm Charoen” (The Farm of Happiness and Prosperity)

Far East DDB and participating clients continued its annually support for poor, rural schools in a project now entering its 10th year. This year, we created the new CSR campaign under concept of “Farm Sook, Farm Charoen” (The Farm of Happiness and Prosperity).

This project aims to build a brighter future for students. Far East DDB and its clients jointly raise funds to build the vegetable and fruit farm and a mushroom nursery plant as the model farm under His Majesty the King Bhumipol's Philosophy of Sufficiency Economy. The success of this project will help promote learning about cultivation, self-reliance and bringing the real practice to the students. When the project yields the fruitful harvest, its products are not only for their sustainable lunch, but also turn to their revenues and scholarship fund for the future education as well.

The company has delivered the vegetable and fruit farm and a mushroom nursery plant to three schools in Bang Baan District, Ayudhaya province on December 9, 2016 which are Wat Sai Noi school, Wat Prasatthong school and Wat Boon Kannawas school.

The Company also donated learning and teaching equipments, stationeries, printer and scholarship as the new year gift from Far East DDB and clients to fulfill happiness to the students.

It is a delightful day that the students and teachers in those three school full with smile, warmth and entertaining that returns to Far East DDB and every clients participating in this sharing.

2. CBS Academy Episode 2 project

CBS Academy is the project that designed to transfer communication and marketing knowledge to university students to create new and professional marketers and advertisers that has an ability to create the creative work that answer the marketing needs. As we recognizes the importance of preparing the new generation to step into the world of professional advertiser and creating new wave advertisers.

This year, the company continues the CBS Academy Project for the second year, we has joint with Advanced Info Service PLC. (AIS), as a partner in the CBS Academy project in order to reach the students in wider sphere. The winners will receive the scholarships worth 100,000 baht and have the chance to see the real work at DDB office in Singapore. Moreover, they still have a chance to work in the companies in Far East Group. The rising stars from this project will obtain additional budget from AIS to show their performance and produce the real viral clip to upload on YouTube and other social media channels.

This project is beneficial to students and new advertising generation. It also helps reinforces the company's vision to be “The Leader in Creative Business Solutions” to use marketing expertise combined with creativity that can effectively communicated to consumers and meet the marketing goals.

INTERNAL CONTROL AND RISK MANAGEMENT

Internal Control

In the Board of Directors' meeting No. 218(2/2017) held on February 24th, 2017, which 4 Audit Committee members attending, they have assessed the internal control system in 2016 by obtaining information from management, Internal Audit Department and related entities, and have the conclusion of the evaluation of the internal control system of Far East DDB Plc., which divided into five parts as below :

1. The internal control and environment

The Company has set corporate good governance policy, employee code of conduct, business ethics and moral principles with transparency and accountability. The Company has set the structure of management specifying the clear authority and responsibility of each duty. The company determines the authority, duty and responsibility between the Board of Directors, Independent Directors, Management, Executives and employees appropriately.

2. Risk assessment

The Board of Directors has established a risk management and anti-corruption committee to monitor the risk management system and defined its role in the Charter of the risk management and anti-corruption Committee. The committee has at least four meetings per year to consider the important issues regarding the risks and the management of those risks and report to the Audit Committee.

3. Performance Control

The Company has the authority to determine the scope of the operation of Directors, management and employees, including strategic policy, company's goal and advanced technology system that help support the company's operation goals. The company also has the internal audit department to review, track and follow up the issues or weakness detected by the operation in order to get the appropriate consideration and solution from the management on time.

4. The Information System and Data Communications

The company provides secure and reliable information systems for processing data for the Board of Directors, Management, employees. Advanced technology and equipment was acquired to keep pace with the market and the competitors.

The company has the meeting of board of directors, executives and employees to report important information to the Board of Director on a regular basis. The company has the meeting between executives and employees to communicate the policy and company's goal to ensure effective internal communications that support organizational objectives.

Communication channel for the third party. The company provide various channel of communication to the third party to send complaints or suggestions to the company such as the company's website, email and PO Box 13 Ratchathewi Bangkok 10400.

5. Monitoring and Evaluation System

The company has good evaluating and monitoring system to ensure that the implementation will meet the target set. The company has the meeting between executives and employees to adjust the appropriate operations and regularly report to the Board of Directors.

The Company evaluates the performance of the employees at all levels and also so the internal audit unit, which is an independent unit, to perform its duties on reporting the audit results., following up issues and reporting to the Audit Committee Meeting on a quarterly basis.

Risk Management

According to the company policy that announced its intention to fight fraud and anti-corruption, the Board of Directors has established the Risk Management and Anti-Corruption Committee to perform the roles and responsibilities under the Charter to support and push for the cooperation in risk management at all levels in the company and set up measures to manage risk on time once it happen.

The Company has risk assessment of the operation by the Internal Audit department and asses the risk of fraud and corruption in all operating departments to assess the risks and potential impacts and find measures to avoid, eliminate, transfer or accept the risk that may occurs with appropriate procedure.

By overview of the internal control and risk management of the company in 2016, with the joint meeting between the Board of Directors, auditors, executives and internal audit department in every quarter, the auditor has assessed the performance of the company's accounting and internal controls and meet the key issues in the audit review. The auditors have checked, reviewed and reported those issues to the Audit. Therefore , It is considered that the company's internal controls are adequate and appropriate.

INTER – COMPANY TRANSACTIONS

In 2016, inter-company transactions of the Company were mostly advertising related trade account receivables, service incomes, and service fees among the Company, subsidiaries and associated companies. These transactions are considered part of the normal and fair course of business that the Company does with other parties in the industry. Service rates are in accordance with normal practice and are not set up in order to transfer the Company's benefits to related parties. As described in the notes to financial statements No.4

As for other incomes and expenses which are related to assets or services to related parties, the company has asked the Company's Board of Directors for approval in the Board of Directors' Meeting No.208(1/2016) at January 28th, 2016 as follows:

- The details of assets or services in part of Income were approved by Board of Directors to limit to 4,869,000.00 Baht.
- Directors who are related person do not attend the meeting and do not vote on the issues.

The details of services:

Companies	Relationship	Rental and Parking Fee Income (Baht)	Consultancy Fee Income (Baht)
1. Fame Line Co., Ltd (Subsidiary)	Co-Directors	2,778,800.00	180,000.00
2. Integrated Communication Co., Ltd. (Associated Company)	Co-Directors	1,432,800.00	180,000.00
3. Pinnacle Travel Co., Ltd.	Co-Directors	65,280.00	
4. Chailadadol Co., Ltd.	Co-Directors	36,000.00	
5. Image First Co., Ltd.	Co-Directors	172,800.00	
Total		4,485,680.00	360,000.00

Note:

Rental Income of immovable assets and parking fee : Baht 4,485,680.00

The Company has signed the rental contract and parking fee with related 5 companies. Rental contract is 1 year term. The setting price is upon market rental price in the same area which will depend on the location, investment cost and the use of assets.

Consultancy Fee Income: Baht 360,000.00

The Company is the consultant on human resources and computer for 2 related companies. The consultant fee is calculated from cost plus the reasonable profit which depend on the difficulty and scope of service.

Policy and tendency of executing inter-company transactions in the future

The Company retains its existing policies for business conduct. Therefore, the manner of service-related advertising and other conducted transactions is still in conformity with the general business practice.

FINANCIAL STATUS

ANALYSIS AND DESCRIPTION OF THE MANAGEMENT

Result of Operation

In 2016, Far East DDB Public Company Limited and its subsidiaries had total gross profit of Baht 326.72 million, an increase from 2015 in amount of Baht 0.32 million or 0.10 per cent and has net profit for the year in amount of Baht 115.58 million, an increase from 2015 of Baht 5.42 million or 4.92 per cent, as a result from higher total revenue from the rendering of service and commission of the subsidiaries. The revenue from the rendering of services and commission of the separate financial statement decrease of Baht 17.19 million or 5.69 per cent. Net profit increased of Baht 11.10 million or 16.57 per cent.

Profitability ratios can be compared as follow :

Item	Year 2016	Year 2015	Year 2014
Gross Income (%)	44.15	44.27	41.72
Return on Revenue from service & commission = EAT/REV (%)	15.62	14.94	10.07
Return on Shareholders' Equity = EAT/EQUITY (%)	10.92	11.16	7.87

During 2016, revenue from the rendering of service, commissions and net profit slightly increased due to the economic slowdown since 2016 and the death of His Majesty King Bhumibol Adulyadej and a subsequent period of mourning led to sharply reduced ad spending in the fourth quarter of 2016 as the government ordered all media outlets to drop paid advertisements as well as lower the tone of their entertainment-related programmes to pay respects to the monarch for 30 days.

Total Revenue

In 2016, Total Revenue includes revenue from the rendering of service and commissions, dividend income, other income and profits from investments using the equity method. The Company and its subsidiaries reported total revenue of Baht 831.49 million, an increase from previous year of Baht 7.76 million or 0.94 per cent, details are as follow:

Revenue from rendering of service and commission

In 2016, the Company and its subsidiaries earned revenue from the rendering of service and commissions of Baht 739.97 million, an increase of Baht 2.62 million or 0.35 per cent.

Every year, ad spending in the fourth quarter was highest than others quarter. However, in the same period of 2016, ad spending was suspended during the period of mourning of His Majesty King Bhumibol Adulyadej.

Other Incomes

Others income of the Company and its subsidiary in 2016 included cash discount, advisor income, interest income, rental income, gain on disposal of assets, gain on sale of securities and others total amount of Baht 91.52 million, an increase from 2015 amount of Baht 5.15 million or 5.96 per cent, resulting from an increase of cash discount amount of Baht 6.06 million.

Share of profits from investment using the equity method

In 2016, the Company received a profit share from the investment in subsidiaries of Baht 36.01 million, an increase of Baht 2.60 million, or 7.78 per cent, resulting from the higher performance of the subsidiaries.

Dividend Income

In 2016, Dividend income had amount of Baht 5.24 million, an increase from 2015 of Baht 0.09 million or 1.75 per cent.

Total Operating Expenses

Total expenses consisted of cost of services and commissions and selling and administrative expenses. In 2016, the Company and its subsidiaries reported total expenses of Baht 696.39 million, an increase of Baht 0.78 million or 0.11 per cent, details are as follows:

Cost of service and commissions

The Company and its subsidiaries had cost of rendering of service and commissions amount of Baht 413.25 million, an increase from 2015 amount of Baht 2.30 million or 0.56 per cent and for the separate financial statement had cost of rendering of service and commissions amount of Baht 145.78 million, a decrease from 2015, amount of Baht 6.72 million or 4.41 per cent, resulting from relating to decreasing income of the separate financial statement.

Selling and administrative expenses

For the Consolidate Financial Statement had total selling and administrative expenses amount of Baht 283.14 million, a decrease of Baht 1.52 million or 0.53 per cent compared with 2015. The Company still has maintained the cost control policy.

Total Net Profit

The Company and its subsidiaries had total net profit for 2016 in an amount of Baht 115.58 million, an increase amount of Baht 5.41 million or 4.91 per cent, as divided to:

- Net profit attributed to owners of the parent in 2016 was Baht 105.74 million, an increase from previous year of Baht 3.63 million or 3.55 per cent.
- Net profit attributed to non-controlling interests in 2016 was Baht 9.84 million, an increase from previous year of Baht 1.79 million or 22.24 per cent.

Financial Position

Assets

The Company and its subsidiaries had total assets at the end of 2016, amount of Baht 1,649.27 million, an increase from previous year of Baht 196.23 million or 13.50 per cent. The current assets, an increase of Baht 147.39 million or 21.13 per cent. The increasing additional assets comprise of cash and cash equivalents, current investments and trade accounts receivable and other account receivable.

	Ye ar 2016	Ye ar 2015	Y ear 2014
Efficiency Ratio			
Return on Total Assets (%)	7.45	7.82	5.52

Return on Total Assets Ratio of the Company and its subsidiaries in 2016, a decrease from 2015 from 7.82 per cent to 7.45 per cent. The company still has ability to manage assets effectively to achieve the highest performance and able to increase profitability in 2016.

Cash and Cash equivalents

The Company and its subsidiaries had cash and cash equivalents at the end of 2016 of Baht 122.62 million, a decrease from previous year of Baht 33.81 million or 21.61 per cent, as a result of decline in fixed deposit into financial institutions and in open-end mutual fund-debt instrument. Liquidity ratios are as follows:

Liquidity Ratio	Ye ar 2016	Ye ar 2015	Y ear 2014
Liquidity Ratio (times)	1.72	1.80	1.93
Quick Liquidity Ratio (times)	1.71	1.79	1.88
Cash Flow Ratio (Times)	0.25	0.40	0.26

At year- end 2016, liquidity ratio of 1.72, down 0.08 times from last year. Quick liquidity ratios down 0.08 times from previous year. These ratios provide the high and normal level liquidity. The Company also has the flexibility to manage and operate its business.

Accounts receivable trade and others

In 2016, the Company and its subsidiaries had accounts receivable trade and other account receivable of Baht 368.51 million, a decrease from 2015 amount of Baht 27.85 million or 7.03 per cent, resulting from the advertising suspension in the fourth quarter during the mourning period of His Majesty King Bhumibol Adulyadej.

In 2016, more than three months-Trade accounts receivable has total amount of Baht 10.78 million, debt accounted for 3.07 percent of total trade account receivable, a decreasing 3.32 percent of previous year.

Liquidity Ratio	Ye ar 2016	Ye ar 2015	Y ear 2014
Customer Turnover Ratio (times)	4.32	4.93	4.52
Average Collection Period (Days)	84	74	81

For the above ratios of average collection in 2016, the Company had the effectiveness of credit management and also has confidence of closely tracking and debt collecting in order to maintain the Company' liquidity.

Liabilities

The Company and its subsidiaries had total liabilities at the end of 2016 of Baht 548.12 million, an increase amount of Baht 110.84 million or 25.35 per cent. Liabilities consisted of trade accounts payable and others amount of Baht 455.33 million, an increase from 2015 amount of Baht 69.39 million or 17.98 per cent. Income tax payable of Baht 3.91 million, an increase from previous year of Baht 1.41 million or 55.74 per cent.

Liquidity Ratio	Ye ar 2016	Ye ar 2015	Y ear 2014
Payable Turnover Ratio (times)	3.18	3.68	3.66

Average Payment Period (Days)	115	99	98
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At the year-end 2016, average Payment Period is 115 days, did not happen from the lack of liquidity but from some accounts payable do not get paid according to schedule an appointment. Thus, the payment period was postponed to the next month.

Non-current liabilities

In 2016, The Company and its subsidiaries had total non-current assets of Baht 55.55 million, an increase of Baht 6.72 million or 13.76 per cent, resulted from increasing of employee benefit obligations and deferred tax liabilities total amount 6.22 million or 12.95 per cent.

Shareholders' Equity

Shareholders' Equity of the Company and its subsidiaries at the end of 2016 was Baht 1,101.15 million, an increase from 2015 amount of Baht 85.39 million or 8.40 percent, resulting from the higher of the Company and its subsidiaries.

Cash Flow Statement Analysis

The Consolidated statement of cash flow for the year ended as of December 31, 2016 was summarized below :

	(Unit: Million Baht)
Cash and cash equivalents as of December 31, 2015	156.43
Net Change in cash due to	
- operating activities	188.36
- Investment activities	(177.17)
- Financial activities	<u>(45.00)</u>
Net Change in cash and cash equivalents	<u>(33.81)</u>
Cash and Cash equivalents as of December 31, 2016	<u>122.62</u>

Cash and cash equivalents decrease from Baht 156.43 million at the end of year 2015 to of Baht 122.62 million, a decrease of Baht 33.81 million or 21.61 percent. The main reasons for a decrease in cash position is as follows:

- An increase of current investment by Baht 159.42 million

Significant Liquidity and Appropriate Capital Structure

Suitability of Capital Structure

items	Year 2016	Year 2015	Year 2014
Debt to Equity Ratio (times)	0.50	0.43	0.42

The Company's Debt to Equity Ratio is 0.50, which increase slightly from the previous year. The Company has no debt on the loan, showing that the company still has a solid financial structure and capability to expand its business.

At the end of year 2016, the Company and its subsidiaries had total current assets amount of Baht 844.97 million, higher than current liabilities amount of Baht 296.84 million and the Company has no debt on the loan, showing that the company has sufficient liquidity and ability to repay.

Factors that affect the future operation

The Company and its subsidiaries are carefully followed the management policy in regard of which may have certain risks and impacts in the future as follows:

1. Getting New Business Client

The Company and its subsidiaries managed the risk of acquiring new client by carefully checking their financial position, analyzing their performance and the ability to pay debt before conducting business with new clients.

2. Loss of major client

In current competition, the Company and its subsidiaries may lose a major clients which will have impact on revenue significantly.

3. Strategic planning or company's policy

The economic downturn is directly affected the purchasing power of consumer and have impact to the Company's client to slow the spending of advertising budget. It is inevitable have an impact on the company's income. So, the management and team need to have a good strategy and working plan. They have to understand the consumer insight in order to create good work for clients. Moreover, the management must set up the policy that is consistent with the current situation to go on the business firmly.

4. Risk from Intense political unrest, disasters, serious accidents or natural disasters.

Above incidents are unpredictable and may cause the suspension on the company's service or operational activities, which inevitably affect the company's revenue.

Audit Fee for the year 2016

1. Audit Fee

The Company and Subsidiaries paid audit fee to the Company's Auditor for the year 2016 as follows:

Far East DDB Plc.	Baht 584,000.00
Fame Line Co., Ltd.(Subsidiary)	Baht 270,000.00
Springboard Plus Co., Ltd. (Subsidiary)	Baht 30,000.00

2. Non - Audit Fee

- None .

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE COMPANY'S FINANCIAL STATEMENTS

The Board of Directors understands the importance of the obligations and responsibilities that are held by directors of publicly listed companies. This includes maintaining responsibility for the financial reporting of Far East DDB Public Company Limited and its subsidiaries. Financial statements must conform to Thai Financial Reporting Standards (TFRS). Discretion must be appropriately applied during disclosure. All reported estimates must be reasonable. Furthermore, explanations must be given to clarify any aspects of financial disclosures that might be construed as unclear. It is important to accurately communicate the Company's financial status to shareholders and investors. All financial statements must be reviewed by independent auditors, who will include their qualified and independent opinions.

Additionally, the Board of Directors plays a key role in supporting the Company's adherence to principles of Good Corporate Governance. This includes providing systematic risk management and internal control processes that are effective and efficient. These efforts increase confidence in the veracity and accuracy of the Company and its subsidiaries' financial information. Furthermore, it extends to the prevention of corruption or improper business practices.

To this extent, the Company's Audit Committee is comprised of Independent Directors tasked with the responsibility of reviewing the quality of reviews performed against the Company's financial information and internal control systems. The Audit Committee will present its findings and approval in the Report of the Audit Committee released each year (Form 56-1).

The Board of Directors is of the opinion that the Company's Good Corporate Governance is in good standing, including the Company's risk management and internal control systems. The Company is confident that its financial statements as well as those of its subsidiaries, released on December 31, 2016, have been accurately disclosed and meet relevant accounting standards.

(Mr. Boonchai Chokwatana)
Chairman

(Mrs. Chailada Tantivejakul)
Managing Director

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
FAR EAST DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Independent Auditor's Report

To the Shareholders and the Board of Directors of Far East DDB Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Far East DDB Public Company Limited and its subsidiaries, and Far East DDB Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2016, the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements and a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position as at December 31, 2016 and the consolidated and separate financial performance and cash flows for the year then ended of Far East DDB Public Company Limited and its

subsidiaries, and Far East DDB Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.

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 Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements 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 judgment, 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 thereon, and I do not provide a separate opinion on these matters.

Impairment of long-term investments

Risk

As disclosed in Note to Financial Statements 11, the Group has other long-term investments as of December 31, 2016 of Baht 419.56 million, which include investments in non-marketable securities of Baht 31.44 million, classified as general investments and presented at cost net from allowance for impairment. The value of these investments has no the market price.

Auditor's Response

I have assessed whether there is any indication of impairment of these non-marketable equity securities, based on the dividend income received and the reliable latest financial statements of the investee companies. In cases of having the indication of the impairment, I considered the appropriateness of the amount recorded in the allowance for impairment of investments using the information from such financial statements.

Other information

Management is responsible for the other information. The other information comprises the information contain in Annual report for the year 2016 but does not include the consolidated and separate financial statements and the auditor's report thereon. The Annual Report for the year 2016 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 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 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 those charged with governance for the correction.

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

Management is responsible for the preparation and fair presentation of these 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 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 financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. A description of an audit is provided in the attached Appendix.

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 consolidated and separate 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 the report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Atipong Atipongsakul)

Certified Public Accountant

Registration Number 3500

ANS Audit Company Limited

Bangkok, February 24, 2017

Appendix

My practice includes the following:

- 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 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 cause significant doubt on 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 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 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.

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2016

		Unit: Baht			
		Consolidated financial statements		Separate finan	
		2016	2015	2016	
		Notes			
ASSETS					
Current Assets					
	Cash and cash equivalents	6	122,617,041.71	156,429,908.71	47,480,561.82
	Current investments - net	7	353,179,039.25	144,793,232.47	148,733,066.33
	Trade and other receivables - net	5, 8	368,509,287.40	396,355,992.78	153,408,171.02
	Work-in-process		659,866.52	-	269,266.52
	Total Current Assets		844,965,234.88	697,579,133.96	349,891,065.69
Non-Current Assets					
	Pledged deposit at financial institution	21.1	12,500,000.00	12,500,000.00	5,000,000.00
	Investments in associated companies - net	9	164,965,108.47	149,605,297.84	7,463,132.07
	Investments in subsidiary companies - net	10	-	-	7,259,400.00
	Other long-term investments - net	11	419,569,176.59	397,704,776.24	368,092,533.07
	Property, plant and equipment - net	12	196,928,578.18	182,088,345.29	177,815,643.60
	Refundable withholding tax		9,003,395.05	13,291,994.04	4,540,247.24
	Other non-current assets		1,334,949.77	269,962.92	169,914.64
	Total Non-Current Assets		804,301,208.06	755,460,376.33	570,340,870.62
	Total Assets		1,649,266,442.94	1,453,039,510.29	920,231,936.31

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES								
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME								
FOR THE YEAR ENDED DECEMBER 31, 2016								
				Unit: Baht				
				Consolidated financial statements		Separate financial statements		
				2016	2015	2016	2015	
				Notes				
Revenue from rendering of services and commissions					739,966,192.93	737,352,671.77	285,041,590.63	302,233,032.21
Cost of services and commissions					(413,249,468.04)	(410,952,585.12)	(145,778,824.06)	(152,495,930.97)
Gross profit					326,716,724.89	326,400,086.65	139,262,766.57	149,737,101.24
Dividend incomes					5,241,751.30	5,152,284.28	54,236,287.30	43,731,664.28
Other incomes				18	50,271,337.65	47,806,430.97	28,059,607.37	27,345,370.20
Profit before expenses					382,229,813.84	379,358,801.90	221,558,661.24	220,814,135.72
Services and administrative expenses					(283,138,988.65)	(284,659,886.68)	(137,542,927.26)	(147,913,815.92)
Share of profit of associates				9	36,006,804.07	33,414,176.51	-	-
Profit before income tax expense					135,097,629.26	128,113,091.73	84,015,733.98	72,900,319.80
Income tax expense				20	(19,513,268.75)	(17,947,965.56)	(5,846,680.00)	(5,836,310.17)
Profit for the year					115,584,360.51	110,165,126.17	78,169,053.98	67,064,009.63
Other comprehensive income								
<i>Items that may be reclassified subsequently to profit or loss</i>								
Gain (loss) on remeasuring available-for-sale investments					22,893,104.13	(11,994,560.66)	21,364,075.31	(9,383,301.71)
Income tax on other comprehensive income								
relating to items that may be reclassified					(4,578,620.82)	2,398,912.13	(4,272,815.06)	1,876,660.34
Other comprehensive income for the year,								
net of income tax					18,314,483.31	(9,595,648.53)	17,091,260.25	(7,506,641.37)
Total comprehensive income for the year					133,898,843.82	100,569,477.64	95,260,314.23	59,557,368.26
Profit attributable to								
Equity holders of the Company					105,740,031.52	102,112,358.65	78,169,053.98	67,064,009.63
Non-controlling interests					9,844,328.99	8,052,767.52	-	-
					115,584,360.51	110,165,126.17	78,169,053.98	67,064,009.63
Total comprehensive income attributable to								
Equity holders of the Company					123,889,196.24	92,799,039.41	95,260,314.23	59,557,368.26
Non-controlling interests					10,009,647.58	7,770,438.23	-	-
					133,898,843.82	100,569,477.64	95,260,314.23	59,557,368.26
Earnings per share								
Basic earnings per share								
Profit attributable to equity holders of the Company (Baht)					14.10	13.61	10.42	8.94
Weighted average number of ordinary shares (shares)					7,500,000	7,500,000	7,500,000	7,500,000

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2016

		Unit: Baht					
		Consolidated financial statements					
		Equity attributable to equity holders of the Company					
				Surplus on changes	Retained earnings		Other components of
		Share capital	Premium on	in interest of	Appropriated		shareholders' equity
	Notes	Issued and paid-up	common shares	subsidiary	to legal reserve	Unappropriated	Other comprehensive income
							Available-for-sale investment
Balance at January 1, 2016		75,000,000.00	95,000,000.00	87,085.15	7,500,000.00	716,924,759.85	73,766,877.15
Changes in shareholders' equity for the year :							
Dividend	17	-	-	-	-	(45,000,000.00)	-
Non-controlling interest increase from							
investment in subsidiary	5, 10	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	105,740,031.52	18,149,164.15
Balance at December 31, 2016		75,000,000.00	95,000,000.00	87,085.15	7,500,000.00	777,664,791.37	91,916,041.30
Balance at January 1, 2015		75,000,000.00	95,000,000.00	-	7,500,000.00	652,312,401.20	83,080,196.15
Changes in shareholders' equity for the year :							
Dividend	17	-	-	-	-	(37,500,000.00)	-
Surplus on changes in interest of subsidiary		-	-	87,085.15	-	-	-
Non-controlling interest decreased		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	102,112,358.65	(9,313,319.15)
Balance at December 31, 2015		75,000,000.00	95,000,000.00	87,085.15	7,500,000.00	716,924,759.85	73,766,877.15

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2016

		Unit: B			
		Separate financial statements			
		Retained earnings			
		Share capital	Premium on	Appropriated	
	Notes	Issued and paid-up	common shares	to legal reserve	Unappropriated
Balance at January 1, 2016		75,000,000.00	95,000,000.00	7,500,000.00	399,000,000.00
Changes in shareholders' equity for the year :					
Dividend	17	-	-	-	(45,000,000.00)
Total comprehensive income for the year		-	-	-	78,000,000.00
Balance at December 31, 2016		75,000,000.00	95,000,000.00	7,500,000.00	432,000,000.00
Balance at January 1, 2015		75,000,000.00	95,000,000.00	7,500,000.00	369,000,000.00
Changes in shareholders' equity for the year :					
Dividend	17	-	-	-	(37,000,000.00)
Total comprehensive income for the year		-	-	-	67,000,000.00
Balance at December 31, 2015		75,000,000.00	95,000,000.00	7,500,000.00	399,000,000.00

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Cash flows from operating activities:					
	Profit before income tax expenses	135,097,629.26	128,113,091.73	84,015,733.98	72,900,319.80
	Adjustments to reconcile profit before income tax expense				
	to net cash provided by (used in) operating activities				
	Depreciation	7,254,946.68	8,621,279.69	5,069,654.66	6,119,599.01
	Loss on disposal of assets	78,117.86	17,019.37	-	-
	Share of profit of associates	(36,006,804.07)	(33,414,176.51)	-	-
	Gain (loss) on repayment of capital from associated companies	847,057.44	-	(525,643.33)	-
	Estimation of employee benefit obligations	4,246,931.00	4,603,188.00	2,504,875.00	2,574,255.00
	Loss on impairment of other long-term investment	253,248.75	723,554.75	253,248.75	723,554.75
	Net unrealized gain on current investment	(694,896.69)	-	(581,128.16)	-
	Gain on disposal of equipment	(246,836.67)	(236,132.45)	(246,836.67)	(169,640.34)
	(Gain) loss on exchange rate	8,081.27	(18,779.44)	8,081.27	(18,779.44)
	Withholding tax written-off	62,861.11	-	31,261.11	-
	Provision	3,239,859.00	-	-	-
	Dividend income from subsidiary and associated companies	-	-	(48,994,536.00)	(38,579,380.00)
	Dividend income from other long-term investments	(5,241,751.30)	(5,152,284.28)	(5,241,751.30)	(5,152,284.28)
	Profit from operations before changes of operating				
	assets and liabilities	108,898,443.64	103,256,760.86	36,292,959.31	38,397,644.50
	Change in operating assets (increase) decrease				
	Trade and other receivables	31,038,624.12	(108,179,386.00)	33,238,550.58	(15,051,449.59)
	Work-in-process	(659,866.52)	-	(269,266.52)	-
	Refundable withholding tax	(3,940,024.20)	(3,305,220.41)	(2,434,991.43)	(1,943,375.72)
	Other non-current assets	(1,064,986.85)	39,215.24	(67,538.00)	-

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES					
STATEMENT OF CASH FLOWS					
FOR THE YEAR ENDED DECEMBER 31, 2016					
Unit: Baht					
		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Change in operating liabilities increase (decrease)					
	Trade and other payables	66,149,358.70	34,829,811.34	4,045,567.63	(22,472,076.49)
	Other non-current assets	-	572,000.00	41,000.00	572,000.00
Cash from (used in) operating activities		200,421,548.89	27,213,181.03	70,846,281.57	(497,257.30)
	Income tax paid	(19,250,591.42)	(15,621,592.01)	(6,203,904.15)	(5,957,990.12)
	Proceeds from income tax refund	8,165,762.08	3,085,736.89	7,437,536.55	3,085,736.89
	Cash paid for employee benefit obligations	(972,003.00)	(7,833,031.00)	(972,003.00)	(2,689,410.00)
	Net cash from (used in) operating activities	188,364,716.55	6,844,294.91	71,107,910.97	(6,058,920.53)
Cash flows from investing activities					
	Current investment increased	(207,690,910.09)	(48,275,149.56)	(66,985,925.95)	(7,040,349.31)
	Acquisition of shares in subsidiary company	-	-	(2,400,000.00)	-
	Advance received from sales of investment in associated company	33,333,500.00	-	33,333,500.00	-
	Proceeds on sales of investment in associated company	-	532,677.32	-	532,677.32
	Acquisitions of other long-term investment	(184,545.00)	(73,037,390.00)	-	(73,037,390.00)
	Cash from investment in subsidiary	3,244,545.00	-	-	-
	Cash from capital paying back of associated company	960,000.00	-	960,000.00	-
	Proceeds on sales of other long-term investment	-	999,193.94	-	800,000.00
	Dividend received from subsidiary and associated companies	16,599,936.00	14,833,280.00	48,994,536.00	38,579,380.00
	Dividend income from other long-term investments	5,241,751.30	5,152,284.28	5,241,751.30	5,152,284.28
	Acquisition of property and equipment	(22,580,667.37)	(7,615,157.60)	(10,855,634.19)	(4,358,259.48)
	Proceeds on sales of equipment	654,206.61	3,009,156.52	467,290.72	628,533.88
	Dividend payment for non-controlling interests	(6,755,400.00)	(5,403,900.00)	-	-
	Net cash from (used in) investing activities	(177,177,583.55)	(109,805,005.10)	8,755,517.88	(38,743,123.31)
Cash flow from financing activities					
	Dividend payments	(45,000,000.00)	(37,500,000.00)	(45,000,000.00)	(37,500,000.00)
	Net cash used in financing activities	(45,000,000.00)	(37,500,000.00)	(45,000,000.00)	(37,500,000.00)
Net increase (decrease) in cash and cash equivalents		(33,812,867.00)	(140,460,710.19)	34,863,428.85	(82,302,043.84)
Cash and cash equivalents at beginning of the years		156,429,908.71	296,890,618.90	12,617,132.97	94,919,176.81
Cash and cash equivalents at end of the years		122,617,041.71	156,429,908.71	47,480,561.82	12,617,132.97
Supplemental Disclosures of Cash Flows Information					
	Transfer of asset under installation to buildings				
	and building improvements	4,997,273.00	-	3,518,935.00	-

AR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2016

1. GENERAL INFORMATION

Far East DDB Public Company Limited (“the Company”) was registered in Thailand in accordance with the provision of the Civil and Commercial Code on February 12, 1964 and converted to be a Public Company on May 12, 1994. Its office is located at 465/1-467 Sri Ayudhya Road, Thungphayathai, Ratchathewi, Bangkok.

The Company’s main businesses are as an advertising agent or broker, and in production and advertising related services.

2. BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Securities and Exchange Commission.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRS”) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

Basis of consolidation

- a) The consolidated financial statements include the financial statements of Far East DDB Public Company Limited and its subsidiaries (together referred to as the “Group”) and the Company’s interest in the associate. Details of the Company’s subsidiaries were as follows:

Subsidiaries	Business Type	Ownership interest (%)
_____	_____	_____

Fame Line Co., Ltd.	Advertising Agency	86.48
Springboard Plus Co., Ltd.	Advertising Agency	99.99
Integrated Communication Co., Ltd.	Public Relation	40
Diginakhon Co., Ltd.	Advertising Agency	40

(5% held by Fame Line Co., Ltd. and 4% held by Integrated Communication Co., Ltd.)

Important decision making and assumptions

The Company's management considered to consolidate the financial statements of Integrated Communication Co., Ltd. and Diginakhon Co., Ltd. due to the Company has control over such companies.

- b) Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

The separate financial statements are prepared for the public interest and present the investments in subsidiaries and associates under the cost method.

New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Company and subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiaries believe that the revised and new financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenues and Expenses Recognition

Revenues and costs from the rendering of services in advertising agent or broker are recognized on an accrual basis.

Revenues and costs from the rendering of services in production are recognized when the services are completed and delivered.

Discount received are recognized on a cash basis.

Other incomes and expenses are accounted on an accrual basis.

Cost of uncompleted jobs or undelivered jobs are recorded as work in process.

Expenses on client service and creativity support are presented in services and administrative expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cheques in transit and deposits at bank and fixed deposit with maturity period not over than 3 months except for cash at banks held as collateral.

Current Investments

Current investments comprise of fixed deposits at financial institutions, marketable equity securities and open-end fund.

Current investments in marketable equity securities and open-end fund, which are classified as trading securities, are stated at fair value. The fair value of investments in unit funds is computed by using the net asset value of the units fund at the end of the year. The revaluations of trading securities are accounted for as the net unrealized gains or losses in the statement of income.

Current investments disposed are computed by the weighted average method.

Trade Receivable

Trade receivables are stated at cost net of allowance for doubtful accounts. Allowance for doubtful accounts is an estimate of those amounts which may prove to be uncollectible based on a review of the current status of existing accounts receivables.

Work in Process

Cost of work, which is not yet recognized as revenues, is recorded in work in process.

Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies in the separate financial statements are accounted for by using the cost method net from impairment of investments.

Investments in associated companies in the consolidated financial statements are accounted for by using the equity method.

Other Long-term Investments

Long-term investments comprise of marketable equity securities, non-marketable equity securities and Private Fund.

Long-term investments in marketable equity securities, which are classified as available-for-sale securities, are stated at fair value. The revaluations of available-for-sale securities are recognized in other comprehensive income. Available-for-sale securities, which are impaired, are stated at cost less allowance for impairment of investments.

Long-term investments in non-marketable equity securities, which are classified as general investment, are stated at cost less allowance for impairment of investments.

Long-term investments in Private Fund, which are classified as available-for-sale securities, are stated at fair value. The revaluations of available-for-sale securities are recognized in other comprehensive income.

Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is computed by the straight-line method based on the estimated useful lives of the assets of 20 years for buildings and 5 years for building improvements, equipment and vehicles.

No depreciation is provided on the Group' land and assets under installation.

Impairment

The Group assesses at the end of each year whether there is any indication that an asset may be impaired. If any such indication exists, the Group will estimate the recoverable amount of the asset. If the carrying amount of an asset exceeds its recoverable amount, the Group will recognize the impairment loss as an expense in the statement of comprehensive income.

Employee benefits

Short-term benefits

The Group recognizes salaries, wages, bonus and social security contribution as expenses on an accrual basis.

Post-employment benefits – defined benefit plan

The employee benefit obligations in relation to the severance payment under the labor law are recognized as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognized actuarial gains or losses in the other comprehensive income for the period in which they arise.

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Basic earnings per share

Basic earnings per share are computed by dividing profit for the year by the weighted average number of common shares outstanding during the year.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgments and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic conditions.

Impairment of investment

Management reviews the impairment of investments in associated companies, subsidiary companies and other long-term investments by considering the operating result and the future business plan of the associated companies, subsidiary companies and other long-term investments. Such consideration is based on Management's judgment.

Property, plant and equipment / Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the Group's plant and equipment and to review estimated useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodic basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecasts of future revenues and expenses relating to the assets subject to the review.

Income taxes and deferred income taxes

Deferred tax assets and liabilities are recognised for temporary difference arising between tax bases of assets and liabilities and their carrying amount for accounting purposes as at the date of statement of financial position. Significant management judgment is used in considering whether it is highly probable that the Group will generate sufficient taxable profits from its future operations to minimise these deferred tax assets. The Group's assumptions regarding the future taxable profits and the anticipated timing of minimise of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on financial position and results of operations.

Employee benefits

The present value of post-employment 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 pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension 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 pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate 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 pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 15.

5. RELATED PARTY TRANSACTIONS

The Group has certain transactions with its related parties. These companies are related through common shareholdings and/or directorships. A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. The effects of these transactions are reflected in the accompanying financial statement on the basis of market price under normal commercial activities as determined by the companies concerned. As at December 31, 2016 and 2015 and for the year ended December 31, 2016 and 2015, the significant outstanding balances and transactions with related parties can be summarized as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Assets				
Trade and other receivables	199,260	241,112	117,771	100,111
Liabilities				
Trade payable	82,785	19,229	47,446	12,893
Deposit receipts	255	120	850	377

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Related companies				
Revenues and expenses				
Revenue from rendering of services	336,529	347,174	101,152	117,327
Other incomes	5,154	3,312	9,875	7,410
Service expenses	12,991	14,034	5,562	5,444
Consulting fee expenses	320	1,080	240	480
Related persons				
Key management compensation				
Short-term benefits	42,519	42,481	27,606	30,283

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2016 and 2015 are as follow:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash on hand	112	77	48	16
Deposits at banks - current accounts	2,990	2,924	399	1,408
- savings accounts	73,528	34,006	46,409	10,606
Fixed deposits not over 3 months	45,987	119,422	625	587
Total cash and cash equivalents	122,617	156,429	47,481	12,617

7. CURRENT INVESTMENTS

Current investments as at December 31, 2016 and 2015 consisted of:

	Unit: Thousand Baht				Interest Rate	
	Consolidated financial statements		Separate financial statements		% per annum	
	2016	2015	2016	2015	2016	2015
Fixed deposits at						
financial institutions	62,663	51,212	51,630	38,644	1.40-1.65	0.9
Open-end Fund - Debt securities - net	290,516	93,581	97,103	42,522	-	
Total current investment - net	353,179	144,793	148,733	81,166		

8. TRADE AND OTHER RECEIVABLES – NET

Trade and other receivables as at December 31, 2016 and 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables				
Trade receivable - Related parties	199,260	241,112	117,771	100,111
Trade receivable - others	159,539	145,757	32,834	77,583
Post dated cheques	1,733	3,287	1,440	1,885
Total Trade receivables	360,532	390,156	152,045	179,579
<u>Less</u> Allowance for doubtful accounts	(9,810)	(9,810)	(9,810)	(9,810)
Total Trade receivables - net	350,722	380,346	142,235	169,769
Other receivables:				
Accrued income	2,334	5,729	2,243	3,564
Prepaid expenses	6,424	8,071	4,783	7,537
Advances	120	206	50	37
Accounts receivable -				
Revenue Department	-	1,303	-	1,303
Others	8,909	701	4,097	719
Total other receivables	17,787	16,010	11,173	13,160
Trade and other receivables - net	368,509	396,356	153,408	182,929

Trade receivables can be classified by age analysis as at December 31, 2016 and 2015 as follow:

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables - Subsidiaries				
Current and not over 3 months	-	-	19,428	13,194
Trade receivables - Associated companies				
Current and not over 3 months	1,310	828	1,310	828
Trade receivables - Related companies				
Current and not over 3 months	197,951	240,284	97,033	86,090
Trade receivables - others				
Current and not over 3 months	148,762	132,717	23,024	64,543
Over 3-12 months	966	3,230	-	3,229
Over 12 months	9,810	9,810	9,810	9,810
Post dated cheques	1,733	3,287	1,440	1,885
Total Trade receivables	360,532	390,156	152,045	179,579
<u>Less</u> Allowance for doubtful accounts	(9,810)	(9,810)	(9,810)	(9,810)
Trade receivables - net	350,722	380,346	142,235	169,769

9. INVESTMENTS IN ASSOCIATED COMPANIES – NET

Investments in associated companies – net as at December 31, 2016 and 2015, and dividend income from the investment during the years ended December 31, 2016 and 2015, consisted of:

Company	Industries	Relations	Unit: Thousand Baht		Percentage of		Unit: Thousand Baht			
			Issued share capital		investment (%)		Cost method-net		Equity method	
			2016	2015	2016	2015	2016	2015	2016	2015
Consolidated financial statements										
Inter Continental Holding Co.,Ltd.	Investment	Shareholding	-	8,000	-	40.00	-	3,200	-	3,746
Myanmar Spa-Today-Far East Ltd.	Agency	Shareholding	\$83.33	\$83.33	30.00	30.00	796	796	9,600	9,576
Spa-Today-Far East (Thailand) Co.,Ltd.	Agency	Shareholding	1,000	1,000	30.00	30.00	-	-	1,232	321
Media Intelligence Co.,Ltd.	Agency	Shareholding	20,000	20,000	33.33	33.33	6,667	6,667	154,134	135,962
Total							7,463	10,663	164,966	149,605
Separate financial statements										
Inter Continental Holding Co.,Ltd.	Investment	Shareholding	-	8,000	-	40.00	-	3,200	-	-
Myanmar Spa-Today-Far East Ltd.	Agency	Shareholding	\$83.33	\$83.33	30.00	30.00	796	796	-	-
Spa-Today-Far East (Thailand) Co.,Ltd.	Agency	Shareholding	1,000	1,000	30.00	30.00	-	-	-	-
Media Intelligence Co.,Ltd.	Agency	Shareholding	20,000	20,000	33.33	33.33	6,667	6,667	-	-
Total							7,463	10,663	-	-

On June 7, 2016, Inter Continental Holding Co., Ltd. was registered its the liquidation and returned its capital and surplus to the shareholders, according to the resolutions of the shareholders' meeting No. 28 held on February 6, 2017.

SHARE OF PROFIT AND DIVIDEND INCOME

During the years, the Company recognized the share of profits from the associate companies in its consolidated financial statements and had the dividend income from associated companies in separate financial statements as follow:

Company	Unit : Thousand Baht			
	Consolidated		Separate	
	Share of profit of associates		Dividend income from associates	
	2016	2015	2016	2015
Inter Continental Holding Co., Ltd.	301	1,313	-	-
Myanmar Spa-Today-Far East Ltd.	24	(979)	-	-
Spa-Today-Far-East (Thailand) Co., Ltd.	1,510	948	600	1,500
Media Intelligence Co., Ltd.	34,171	32,132	16,000	13,333
Total	36,006	33,414	16,600	14,833

The following is summarized financial information relating to an entity's interest in associates

	Unit : Thousand Baht			
	Myanmar Spa- Today-Far East Ltd.	Spa-Today-Far East (Thailand) Co., Ltd.	Media Intelligence Co., Ltd.	Total
As at December 31, 2016				
Current assets	39,528	19,418	719,214	778,160
Non-current assets	2,589	168	42,506	45,263
Current liabilities	(10,118)	(15,480)	(274,576)	(300,174)
Non-current liabilities	-	-	(24,697)	(24,697)
For the year ended December 31, 2016				
Revenues				
Profit (loss) on operation	80	5,034	102,524	107,638
Profit of discontinued operations	-	-	-	-
Profit for the year	80	5,034	102,524	107,638
Other comprehensive income (loss)				
for the year	-	-	-	-
Comprehensive income (loss)				
for the year	80	5,034	102,524	107,638

Reconciliation of the equity of the associates in the consolidated financial statement were as follow:

	Unit : Thousand Baht			
	Myanmar Spa - Today-Far East Ltd.	Spa - Today-Far East (Thailand) Co., Ltd.	Media Intelligence Co., Ltd.	Total
Net assets of associated companies	31,999	4,106	462,447	498,552
Percentage of shares held in associated companies	30	30	33.33	
Goodwill	-	-	-	-
Book value of				
Investments in associated companies	9,600	1,232	154,134	164,965

10. INVESTMENTS IN SUBSIDIARY COMPANIES – NET

Investments in subsidiary companies – net as at December 31, 2016 and 2015, and dividend income from the investment during the years ended December 31, 2016 and 2015, consisted of:

Company	Industries	Relations	Unit: Thousand Baht							
			Unit: Thousand Baht		Percentage of		Separate financial statements			
			Issued share capital		investment (%)		Cost method-net		Dividend	
			2016	2015	2016	2015	2016	2015	2016	2015
Fame Line Co.,Ltd.	Agency	Shareholding	4,000	4,000	86.48	86.48	3,459	3,459	31,135	22,486
Springboard Plus Co., Ltd	Agency	Shareholding	6,511	6,511	99.99	99.99	3,385	3,385	-	-
Integrated Communication Co.,Ltd.	Public Relation	Shareholding	3,500	3,500	40.00	40.00	1,400	1,400	1,260	1,260
Diginakhon Co.,Ltd.	Agency	Shareholding	10,000	-	40.00	-	2,400	-	-	-
Total							10,644	8,244	32,395	23,746
<u>Less</u> allowance for impairment							(3,385)	(3,385)		
Investment - net							7,259	4,859		

On April 11, 2016, the Company acquired ordinary shares of Diginakhon Co., Ltd., of 400,000 shares (par value of Baht 10 per share) representing the 40% interest of such company's registered and called up capital at Baht 6 per share totaling of Baht 2,400,000.

Fame Line Co., Ltd. acquired ordinary shares of Diginakhon Co., Ltd., of 50,000 shares (par value of Baht 10 per share) representing the 5% interest of such company's registered and called up capital at Baht 6 per share totaling of Baht 300,000.

Integrated Communication Co., Ltd. acquired ordinary shares of Diginakhon Co., Ltd., of 40,000 shares (par value of Baht 10 per share) representing the 4% interest of such company's registered and called up capital at Baht 6 per share totaling of Baht 240,000.

The following subsidiaries have material non-controlling interests.

Company	Country of incorporation	Ownership interests held by NCI (percentage)	Unit : Thousand Baht	
			Comprehensive income	
			attributable to Non-controlling interest	Accumulated Non-controlling interest
Fame Line Co., Ltd.	Thailand	13.52	6,493	28,140
Springboard Plus Co., Ltd.	Thailand	0.0014	-	-
Integrated Communication Co., Ltd.	Thailand	60	3,426	22,666
Diginakhon Co., Ltd.	Thailand	54.08	(12)	3,232
Total			9,907	54,038

The following is summarized financial information of subsidiaries before inter-company elimination.

	Unit : Thousand Baht				
	Integrated				
	Fame Line Co., Ltd.	Springboard Plus Co., Ltd.	Communication Co., Ltd.	Diginakhon Co., Ltd.	Total
As at December 31, 2016					
Current assets	400,308	21,986	86,031	10,992	519,317
Non-current assets	76,552	323	11,685	41	88,600
Current liabilities	(254,157)	(19,731)	(53,740)	(5,055)	(332,683)
Non-current liabilities	(14,487)	-	(6,198)	-	(20,685)
Non-controlling interests	28,140	-	22,666	3,232	54,039

Unit : Thousand Baht

	Integrated				Total
	Fame Line Co., Ltd.	Springboard Plus Co., Ltd.	Communication Co., Ltd.	Diginakhon Co., Ltd.	
For the year ended December 31, 2016					
Revenue					
Net income (loss) for year for					
non-controlling interests	6,493	-	3,426	(12)	9,906
Other comprehensive income for					
non-controlling interests	165	-	-	-	165
Dividend payment for					
 non-controlling interests	(4,865)	-	(1,890)	-	(6,755)
Cash from (used in)					
Operating activities	110,305	1,233	6,336	484	118,358
Investing activities	(140,975)	-	(12,881)	(28)	(153,884)
Financing activities	(36,000)	-	(3,150)	6,000	(33,150)
Net increase (decrease) in cash	(66,670)	1,233	(9,695)	6,456	(68,676)

11. OTHER LONG-TERM INVESTMENTS – NET

Other long-term investments – net as at December 31, 2016 and 2015 consisted of:

Unit: Thousand Baht

Consolidated financial statements

	December 31, 2016			December 31, 2015		
	Available- for- sale securities	General investments	Total	Available- for- sale securities	General investments	Total
Marketable equity securities						
Saha Pathana Inter - Holding Plc.	45,795	-	45,795	34,000	-	34,000
I.C.C. International Plc.	30,769	-	30,769	32,034	-	32,034
Boutique Newcity Plc.	1,440	-	1,440	1,670	-	1,670
The Siam Cement Plc.	1,488	-	1,488	1,374	-	1,374
Saha Pathanapibul Plc.	48,611	-	48,611	39,872	-	39,872
Nation Multimedia Group Plc.	4,303	-	4,303	5,456	-	5,456
Nation International Edutainment Plc.	25	-	25	37	-	37
Private Fund	255,697	-	255,697	250,794	-	250,794
Non-marketable equity securities						
Investments in common stock - Net from impairment of investments as at December 31, 2016 and 2015 of Baht 24.15 million and 23.89 million respectively	-	31,440	31,440	-	32,468	32,468
Total	388,130	31,440	419,569	365,237	32,468	397,705

	Unit: Thousand Baht					
	Separate financial statements					
	December 31, 2016			December 31, 2015		
	Available- for- sale securities	General investments	Total	Available- for- sale securities	General investments	Total
Marketable equity securities						
Saha Pathana Inter - Holding Plc.	45,795	-	45,795	34,000	-	34,000
I.C.C. International Plc.	30,769	-	30,769	32,034	-	32,034
Boutique Newcity Plc.	1,440	-	1,440	1,670	-	1,670
The Siam Cement Plc.	1,488	-	1,488	1,374	-	1,374
Saha Pathanapibul Plc.	48,611	-	48,611	39,872	-	39,872
Nation Multimedia Group Plc.	4,304	-	4,304	5,456	-	5,456
Nation International Edutainment Plc.	25	-	25	37	-	37
Private Fund	204,405	-	204,405	201,031	-	201,031
Non-marketable equity securities						
Investments in common stock - Net from impairment of investments as at December 31, 2016 and 2015 of Baht 24.15 million and 23.89 million respectively	-	31,255	31,255	-	32,468	32,468
Total	336,837	31,255	368,092	315,474	32,468	347,942

The group value their marketable equity securities using fair values. The fair values represent the Level 1 fair values which are quoted prices (unadjusted) in active market that the group can access at the measurement date.

As at December 31, 2016 and 2015, the Group had general investments in common stock in 17 companies which represent investments in non-marketable securities, which were presented at cost net from allowance for impairment of these investments. The Company evaluates for the impairment of investment for each fiscal year and records impairment loss in the statement of profit or loss.

12. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment as at December 31, 2016 and 2015 consisted of:

	Unit: Thousand Baht					
	Consolidated financial statements					
	Land	Buildings and building improvements	Furniture, fixture and office equipment	Vehicles	Asset under installation	Total
At cost						
As at December 31, 2015	159,185	85,588	84,943	42,110	4,452	376,278
Purchases/transfers in during the year	-	23,673	3,360	-	545	27,578
Disposal/transfers out during the year	-	(4,342)	(1,059)	(3,049)	(4,997)	(13,448)
As at December 31, 2016	159,185	104,919	87,244	39,061	-	390,408
Accumulated depreciation						
As at December 31, 2015	-	(81,798)	(78,891)	(33,501)	-	(194,190)
Depreciation for the year	-	(2,608)	(2,900)	(1,747)	-	(7,255)
Disposals/transfers out during the year	-	4,342	1,039	2,584	-	7,966
As at December 31, 2016	-	(80,064)	(80,752)	(32,664)	-	(193,479)
Net book value						
As at December 31, 2015	159,185	3,790	6,052	8,609	4,452	182,088
As at December 31, 2016	159,185	24,855	6,492	6,397	-	196,929

Depreciation for the years ended December 31, shown in the statements of profit or loss were:

Year 2015	8,621
Year 2016	7,255

Unit: Thousand Baht

	Separate financial statements					
	Land	Buildings and building improvements	Furniture, fixture and office equipment	Vehicles	Asset under installation	Total
	At cost					
As at December 31, 2015	159,185	70,628	64,308	25,252	2,973	322,346
Purchases/transfers in during the year	-	12,618	1,211	-	546	14,375
Disposal/transfers out during the year	-	-	(7)	(2,230)	(3,519)	(5,756)
As at December 31, 2016	159,185	83,246	65,512	23,022	-	330,965
Accumulated depreciation						
As at December 31, 2015	-	(66,858)	(61,328)	(21,910)	-	(150,096)
Depreciation for the year	-	(2,251)	(1,579)	(1,240)	-	(5,070)
Disposals/transfers out during the year	-	-	7	2,010	-	2,017
As at December 31, 2016	-	(69,109)	(62,900)	(21,140)	-	(153,149)
Net book value						
As at December 31, 2015	159,185	3,770	2,980	3,342	2,973	172,250
As at December 31, 2016	159,185	14,137	2,612	1,882	-	177,816
Depreciation for the years ended December 31, shown in the statements of profit or loss were:						
Year 2015						6,120
Year 2016						5,070

The carrying amounts of fully depreciated assets that are still in use are as follows:

Unit: Thousand Baht

	Consolidated financial statements	Separate financial statements
Year 2015	166,260	131,506
Year 2016	171,835	141,164

13. DEFERRED TAX

Deferred tax as at December 31, 2016 and 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax assets	16,339	15,633	12,323	11,966
Deferred tax liabilities	(23,327)	(19,179)	(22,721)	(18,448)
Deferred tax liabilities - net	<u>(6,988)</u>	<u>(3,546)</u>	<u>(10,398)</u>	<u>(6,482)</u>

Movements in deferred tax assets and deferred tax liabilities during the years were as follows:

	Unit: Thousand Baht							
	Consolidated financial statements				Separate financial statements			
	At January 1, 2016	Profit (loss)	Other comprehensive income	At December 31, 2016	At January 1, 2016	Profit (loss)	Other comprehensive income	At December 2016
Deferred tax assets								
Allowance for doubtful accounts	1,962	-	-	1,962	1,962	-	-	1,962
Allowance for impairment of other investment	4,778	51	-	4,829	4,778	51	-	4,829
Provision for employee benefit obligations	8,893	655	-	9,548	5,226	306	-	5,532
Total	15,633	706	-	16,339	11,966	357	-	12,323
Deferred tax liabilities								
Depreciation	(738)	431	-	(307)	-	-	-	(307)
Gain on remeasuring available-for-sale investments	(18,441)	-	(4,579)	(23,020)	(18,448)	-	(4,273)	(22,721)
Total	(19,179)	431	(4,579)	(23,327)	(18,448)	-	(4,273)	(22,721)

Unit: Thousand Baht

	Consolidated financial statements				Separate financial statements			
	At January 1, 2015	Profit (loss)	Other comprehensive income	At December 31, 2015	At January 1, 2015	Profit (loss)	Other comprehensive income	At December 31, 2015
Deferred tax assets								
Allowance for doubtful accounts	1,962	-	-	1,962	1,962	-	-	1,962
Allowance for impairment of other investment	4,634	144	-	4,778	4,633	145	-	4,778
Provision for employee benefit obligations	9,539	(646)	-	8,893	5,249	(23)	-	5,226
Total	16,135	(502)	-	15,633	11,844	122	-	11,966
Deferred tax liabilities								
Depreciation	(778)	40	-	(738)	-	-	-	-
Gain on remeasuring available-for-sale investments	(20,840)	-	2,399	(18,441)	(20,324)	-	1,876	(18,448)
Total	(21,618)	40	2,399	(19,179)	(20,324)	-	1,876	(18,448)

14. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2016 and 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables				
Trade payables - related parties	82,785	19,229	47,446	12,893
Trade payables - others	312,084	310,423	81,238	107,450
Post dated cheques	112	-	-	-
Total trade payables	394,981	329,652	128,684	120,343
Other payables:				
Accrued employee benefits	38,659	35,978	8,103	12,216
Accrued expenses	9,042	14,609	7,142	8,076
Advertising income received in advance	195	119	50	119
Accounts Payable - Revenue Department	8,247	5,440	2,647	1,819
Others	4,204	140	127	134
Total other payables	60,347	56,286	18,069	22,364
Total trade and other payables	455,328	385,938	146,753	142,707

15. EMPLOYEE BENEFITS OBLIGATIONS

Movement of the present value of employee benefits obligation for the years ended December 31, 2016 and 2015 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2016	2015	2016	2015
Employee benefit at beginning of year	44,465	47,695	26,127	26,242
Included in profit or loss:				
Current service cost	2,280	2,534	1,371	1,489
Interest cost	1,967	2,069	1,134	1,085
Benefit paid during the year	(972)	(7,833)	(972)	(2,689)
Employee benefit obligations at end of year	47,740	44,465	27,660	26,127

Employee benefit expenses in profit or loss for the year ended December 31, 2016 and 2015, consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2016	2015	2016	2015
Administrative expenses	4,247	4,603	2,505	2,574

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

Principal actuarial assumptions as at December 31, 2016 and 2015 (represented by the weighted-average) consisted of:

	(Percentage (%)/annum)			
	Consolidated financial			
	statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	4.49 - 4.62 %	4.49 - 4.62 %	4.49%	4.49%
Future salary increase rate	5.11%	5.11%	5.11%	5.11%
Mortality rate	100% of Thai Mortality Ordinary Tables of 2008		100% of Thai Mortality Ordinary Tables of 2008	
Turnover rate				
By age as follows:				
Under 20 years old	-	-	-	-
20 - 29 years old	33%	33%	33%	33%
30 - 39 years old	13%	13%	13%	13%
40 - 59 years old	4%	4%	4%	4%
Above 60 years old	-	-	-	-

16. LEGAL RESERVE

The legal reserve of the Company was established in accordance with the provision of the Public Company Limited Act, (B.E. 2535) which requires the appropriation as legal reserve of at least 5 % of net income until the reserve reaches 10 % of the authorized share capital. This reserve is not available for dividend distribution.

17. DIVIDEND PAYMENT

The resolutions of the Company's Ordinary General Shareholders' Meeting No. 22 held on April 28, 2016, approved to pay dividends from the result of the Company's operations for the year 2015 in the amount of Baht 45 million, at Baht 6 per share. The dividend payment date was May 24, 2016.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 27 held on April 28, 2016, approved to pay dividends from the result of its operations for the year 2015 in the amount of Baht 36 million, at Baht 900 per fully paid-up share and Baht 225 per 25% paid-up share. The dividend payment date was May 18, 2016.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 23 held on April 28, 2016, approved to pay dividends from the result of its operations for the year 1994-2010 in the amount of Baht 3.15 million, at Baht 9 per fully paid-up share and Baht 4.5 per 50% paid-up share. The dividend payment date was May 19, 2016.

The resolutions of the Company's Ordinary General Shareholders' Meeting No. 21 held on April 29, 2015, approved to pay dividends from the result of the Company's operations for the year 2014 in the amount of Baht 37.50 million, at Baht 5 per share. The dividend payment date was May 20, 2015.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 26 held on April 29, 2015, approved to pay dividends from the result of its operations for the year 2014 in the amount of Baht 26 million, at Baht 650 per fully paid-up share and Baht 162.50 per 25% paid-up share. The dividend payment date was May 20, 2015.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 22 held on April 29, 2015, approved to pay dividends from the result of its operations for the year 1994-2010 in the amount of Baht 3.15 million, at Baht 9 per fully paid-up share and Baht 4.5 per 50% paid-up share. The dividend payment date was May 21, 2015.

18. OTHER INCOMES

Other incomes for the years ended December 31, 2016 and 2015 are as follow:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash discounts resulting from cash management	33,401	27,340	8,558	8,175
Advisory income	2,400	3,000	2,760	3,360
Rental income	3,874	2,564	8,196	6,614
Gain on sales on security	6,409	9,497	5,373	6,696
Other	4,187	5,405	3,173	2,500
Total	50,271	47,806	28,060	27,345

19. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2016 and 2015 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Production service	396,853	396,304	140,217	147,051
Commissions	16,396	14,648	5,562	5,444
Employee expenses	232,391	234,366	109,459	116,252
Depreciation	7,694	8,622	5,070	6,120

20. INCOME TAX EXPENSES

Income tax recognized in profit or loss for the years ended December 31, 2016 and 2015 is as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Current tax expense				
Current years	(20,650)	(17,486)	(6,204)	(5,958)
	(20,650)	(17,486)	(6,204)	(5,958)
Deferred tax				
Movements in temporary differences	1,137	(462)	357	122
	1,137	(462)	357	122
Total	(19,513)	(17,948)	(5,847)	(5,836)

Reconciliation of effective tax rate

Consolidated financial statements

	2016		2015	
	Tax rate		Tax rate	
	(%)	Unit: Thousand Baht	(%)	Unit: Thousand Baht
Profit before income tax		135,098		128,113
Income tax using the corporate tax rate	20	27,020	20	25,623
Non-taxable income		(1,048)		(1,030)
Allowance by the Revenue Code		(187)		(80)
Non-deductible expenses		999		358
Benefit from taxable loss		(165)		(310)
Share of profit of associates		(7,201)		(6,683)
Inter-company transactions		95		70
Total	14	19,513	14	17,948

The Subsidiaries has an unutilized tax loss carried forward as at December 31, 2016 and 2015 of Baht 1.36 million and Baht 4.34 million, respectively. Due to the uncertainty of the utilization, the Management, therefore, will not account for the deferred tax on this unutilized tax loss carried forward.

Separate financial statements

	2016		2015	
	Tax rate		Tax rate	
	(%)	Unit: Thousand Baht	(%)	Unit: Thousand Baht
Profit before income tax		84,016		72,900
Income tax using the corporate tax rate	20	16,803	20	14,580
Non-taxable income		(10,847)		(8,746)
Allowance by the Revenue Code		(146)		(71)
Non-deductible expenses		36		73
The effective tax rate	7	5,847	8	5,836

Income tax expense

According to Royal Decree No. 577 B.E. 2557 dated November 10, 2014, the corporate income tax rate were at 20 % on net profit for the accounting periods beginning on January 1, 2015 to December 31, 2015. According to Act No. 42 B.E. 2559 dated March 3, 2016, the corporate income tax rate will be continue at 20 % on net profit for the accounting periods beginning on January 1, 2016.

21. COMMITMENTS AND CONTINGENT LIABILITIES

- 21.1 As at December 31, 2016 and 2015, the Group has contingent liability in relation to letters of guarantee issued by banks amounting to approximately Baht 3.60 million and Baht 3.77 million, respectively. The Group pledged their 3 month time deposit as collateral for the letters of guarantee.
- 21.2 As at December 31, 2016 and 2015, the Company has a management services agreement with a company whereby the latter granted the Company trademark rights, and provided assistance in business development and client services, and technical assistance involved in customers on both national and regional bases. The Company will reimburse this company an annual fee of Baht 3 million.
- 21.3 As at December 31, 2016 and 2015, the Company had unused overdraft facilities from commercial banks, totaling Baht 12 million, which were guaranteed by a director of the Company in the amount of Baht 10 million and the remaining amount had no collateral and personal guarantee.
- 21.4 As at December 31, 2016 and 2015, the Company had outstanding forward contract line from a commercial bank of USD 200,000 from the total of USD 200,000 or equivalent.
- 21.5 As at December 31, 2015, the Group has capital commitments of Baht 13.10 million.

22. OPERATING SEGMENT

The Group has operated only as a domestic advertising agency, therefore, there is no presentation of operating segment.

23. FINANCIAL INSTRUMENTS

The Group does not speculate or engage in the trading of any derivative financial instruments.

Interest Rate Risk

Interest rate risk occurs when the value of financial instruments change in accordance with the fluctuation of market interest rates, which may affect interest income and interest expense of the present and future years.

As at December 31, 2016 and 2015, the Group did not have significant interest bearing loans or liabilities. Therefore, the Group is not materially exposed to interest rate risk.

Credit Risk

The Group provides credit terms on many trade transactions for customers after confirming their credit worthiness. The collection of accounts receivables is closely monitored. The Group focus collection on all accounts overdue and will make a provision for accounts receivable on overdue accounts for more than 1 year. At this time there is no reason to expect major or significant losses arising from the collection of trade receivables.

The trade receivable aging schedule had been disclosed in Note 8 to the financial statements.

Fair Value

The fair value of the financial instruments is the amount at which the instruments may be exchanged in a current transaction between willing parties. The following methods and assumptions are used to estimate the fair value for each class of the Company's financial instruments:

- Financial assets shown at estimated fair value.
- Financial liabilities shown at book value are almost the same as the fair value, because such liabilities will mature in the short term.

24. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain assurance of shareholder, investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Company defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

25. EMPLOYEE PROVIDENT FUND

The Company and a subsidiary and its employees have jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The fund is contributed equally by both the employees and the Company and subsidiary at the rate of 2-5 percent of the employee's salary based on the number of employees' working year. The fund will be paid to the employees upon termination in accordance with the rules of the fund.

26. EVENTS AFTER THE REPORTING PERIOD

On January 1, 2017, the Company sold 66,667 shares of Media Intelligence Co., Ltd. (par value of Baht 10 each), representing 3.33% of the registered capital at price Baht 500 each. Accordingly, the Company has the outstanding shares of 600,000 shares, representing 30% of the share capital. On December 30, 2016, the Company received advance payment on the selling share of Baht 33.33 million. As a result, the Company will recognize gain on disposal of investment of Baht 17.92 million in the consolidated financial statements and Bath 32.67 million in the separate financial statement on January 1, 2017.

27. APPROVAL OF FINANCIAL STATEMENT

The Company's authorized directors approved to issue these financial statements on February 24, 2017.

RECOGNITIONS

OUR WORK

PRINT
BLUESCOPE Zacs
CLEAN & CLEAR
COTTO
I.C.C.
WALL'S
LIPON F
MAMA
RIVON
KOKA

OUR CSR

OUR CSR SCHOOL PROJECT

The 9th school project : "We Share sharing happiness & new knowledge with new formula"

Far East DDB and participating clients continued its annually support for poor, rural schools in a project now entering its 9th year. This year, we created the new CSR campaign titled "We Share - Sharing happiness & new knowledge with new formula".

Far East DDB team started the roadshow to invite clients to join the sharing throughout October - November 2015. The client will take photo of themself in student suit, then post their photos through Facebook. Every shares and likes from the post within 1 week will be converted to donation for building Brain-Based Learning (BBL) points at Wat Suntarikawas school in Saraburi which including three parts:

- BBL Playground
- Brainy Classroom (colorful classroom)
- Innovations

The company recognizes the importance of children's brain developing, which provides the foundation for all future learning, behavior, and health, through active play and inspired learning. This will empower children to be ready for learning and growing more efficiently.

The company has delivered Brain-Based Learning (BBL) infrastructures to Wat Suntarikawas school in Saraburi on November 25, 2015 and also donated 10 sets of dining table with chairs and scholarship as the new year gift from Far East DDB and clients to fulfill happiness to the students. It is a delightful day that the students and teachers in Wat Suntarikawas school full with smile, warmth and entertaining that returns to Far East DDB and every clients participating in this sharing.

CBS Academy

The company has initiated CBS Academy Project for the first year as it recognizes the importance of preparing the new generation to step into the world of professional advertiser and creating new wave advertisers.

CBS Academy is the project that designed to transfer communication and marketing knowledge to university students to create new and professional marketers and advertisers that has an ability to create the creative work that answer the marketing needs. The winners will receive the scholarships worth 100,000 baht and have the chance to see the real work at DDB office in Singapore. Moreover, they still have a chance to work in Far East DDB or its affiliates.

This project is beneficial to students and new advertising generation. It also helps reinforces the company's vision to be "The Leader in Creative Business Solutions" to use marketing expertise combined with creativity that can effectively communicated to consumers and meet the marketing goals.

www.fareastddb.com

