

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 MARCH 31, 2016

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
		"Reviewed"		"Reviewed"	
ASSETS					
Current Assets					
Cash and cash equivalents	4	143,352	156,430	15,779	12,617
Current investments - net	5	164,630	144,793	83,222	81,166
Trade and other receivables - net	6, 17	239,680	392,553	148,018	179,803
Unbilled contract revenue		14,621	3,803	4,245	3,126
Work-in-process		7,988	-	4,478	-
Total Current Assets		570,271	697,579	255,742	276,712
Non-Current Assets					
Pledged deposit at financial institution	16.1	12,500	12,500	5,000	5,000
Investments in associated companies - net	7	155,483	149,605	10,663	10,663
Investments in subsidiary companies - net	8	-	-	4,859	4,859
Other long-term investments - net	9	406,467	397,706	356,295	347,943
Property, plant and equipment - net	10	180,822	182,088	170,922	172,250
Refundable withholding tax		12,532	13,292	9,574	9,574
Other non-current assets		366	270	102	102
Total Non-Current Assets		768,170	755,461	557,415	550,391
Total Assets		1,338,441	1,453,040	813,157	827,103

.....Director

(Mrs.Chailada Tantivejakul)

.....Director

(Mrs.Malee Leelasiriwong)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2016

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
		"Reviewed"		"Reviewed"	
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade and other payables	12, 17	252,922	385,938	118,266	142,707
Current income tax payables		2,510	2,510	-	-
Total Current Liabilities		255,432	388,448	118,266	142,707
Non-Current Liabilities					
Deferred tax liabilities	11	5,118	3,546	8,067	6,482
Employee benefit obligations	13	45,327	44,465	26,553	26,127
Other non-current liabilities		824	824	1,106	1,081
Total Non-Current Liabilities		51,269	48,835	35,726	33,690
Total Liabilities		306,701	437,283	153,992	176,397
Shareholders' Equity					
Share capital					
Authorized share capital					
Common shares 7,500,000 shares, Baht 10					
par value		75,000	75,000	75,000	75,000
Issued and paid-up share capital					
Common shares 7,500,000 shares, Baht 10					
par value		75,000	75,000	75,000	75,000
Premium on common shares		95,000	95,000	95,000	95,000
Premium from purchasing addition shares					
in subsidiary		87	87	-	-
Retained earnings					
Appropriated					
Legal reserve		7,500	7,500	7,500	7,500
Unappropriated		726,362	716,925	401,191	399,413
Other components of shareholders' equity		80,733	73,767	80,474	73,793
Total equity attributable to equity holders of the Company		984,682	968,279	659,165	650,706
Non-controlling interests		47,058	47,478	-	-
Total Shareholders' Equity		1,031,740	1,015,757	659,165	650,706
Total Liabilities and Shareholders' Equity		1,338,441	1,453,040	813,157	827,103

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

		Unit: Thousand Baht			
		"Unaudited but reviewed"			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
		"Restated"			
	Revenue from rendering of services and commissions	121,501	169,160	49,910	78,209
	Cost of services and commissions	(64,839)	(100,294)	(22,030)	(44,920)
	Gross profit	56,662	68,866	27,880	33,289
	Dividend incomes	7	-	600	1,500
	Other incomes	14	10,194	10,536	7,563
	Profit before expenses	66,856	79,402	36,043	41,164
	Services and administrative expenses	(63,526)	(65,112)	(33,931)	(35,069)
	Share of profit of associates	7	6,477	6,125	-
	Profit before income tax expense	9,807	20,415	2,112	6,095
	Income tax expense	15	(834)	(2,990)	(334)
	Profit for the period	8,973	17,425	1,778	5,202
	Other comprehensive income				
	<i>Items that will not be reclassified to profit or loss</i>	-	-	-	-
	<i>Items that may be reclassified subsequently to profit or loss</i>				
	Gain on remeasuring available-for-sale investments	8,763	4,239	8,351	3,847
	Income tax on other comprehensive income (loss)				
	relating to items that may be reclassified	(1,753)	(848)	(1,670)	(769)
	Other comprehensive income for the period, net of income tax	7,010	3,391	6,681	3,078
	Total comprehensive income for the period	15,983	20,816	8,459	8,280
	Profit attributable to				
	Equity holders of the Company	9,437	15,856	1,778	5,202
	Non-controlling interests	(464)	1,569	-	-
		8,973	17,425	1,778	5,202
	Total comprehensive income attributable to				
	Equity holders of the Company	16,403	19,205	8,459	8,280
	Non-controlling interests	(420)	1,611	-	-
		15,983	20,816	8,459	8,280
	Earnings per share				
	Basic earnings per share				
	Profit attributable to equity holders of the Company (Baht)	1.27	2.11	0.24	0.69
	Weighted average number of ordinary shares (shares)	7,500,000	7,500,000	7,500,000	7,500,000

.....Director
(Mrs.Chailada Tantivejakul

.....Director
(Mrs.Malee Leelasiriwong

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

Unit: Thousand Baht									
"Unaudited but reviewed"									
Consolidated financial statements									
Equity attributable to equity holders of the Company									
Notes	Share capital Issued and paid-up	Premium on common shares	Surplus on changes in interest of subsidiary	Retained earnings		Other components of shareholders' equity		Non-controlling interests	Total Shareholders' Equity
				Appropriated to legal reserve	Unappropriated	Other comprehensive income Available-for-sale investments	Total		
								"Restated"	"Restated"
Balance at January 1, 2016	75,000	95,000	87	7,500	716,925	73,767	968,279	47,478	1,015,757
Changes in shareholders' equity for the period :									
Total comprehensive income for the period	-	-	-	-	9,437	6,966	16,403	(420)	15,983
Balance at March 31, 2016	75,000	95,000	87	7,500	726,362	80,733	984,682	47,058	1,031,740
Balance at January 1, 2015	75,000	95,000	-	7,500	652,312	83,080	912,892	45,199	958,091
Changes in shareholders' equity for the period :									
Surplus on changes in interest of subsidiary	-	-	87	-	-	-	87	-	87
Minority interest decreased	-	-	-	-	-	-	-	(87)	(87)
Total comprehensive income for the period	-	-	-	-	15,856	3,349	19,205	1,611	20,816
Balance at March 31, 2015	75,000	95,000	87	7,500	668,168	86,429	932,184	46,723	978,907

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

Unit: Thousand Baht

"Unaudited but reviewed"

Separate financial statements

Notes	Share capital Issued and paid-up	Premium on common shares	Retained earnings		Other components of	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	shareholders' equity Other comprehensive income Available-for-sale investments	
Balance at January 1, 2016	75,000	95,000	7,500	399,413	73,793	650,706
Changes in shareholders' equity for the period :						
Total comprehensive income for the period	-	-	-	1,778	6,681	8,459
Balance at March 31, 2016	75,000	95,000	7,500	401,191	80,474	659,165
Balance at January 1, 2015	75,000	95,000	7,500	369,849	81,300	628,649
Changes in shareholders' equity for the period :						
Total comprehensive income for the period	-	-	-	5,202	3,078	8,280
Balance at March 31, 2015	75,000	95,000	7,500	375,051	84,378	636,929

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

	Unit: Thousand Baht			
	"Unaudited but reviewed"			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities:		"Restated"		"Restated"
Profit before income tax expenses	9,807	20,415	2,112	6,095
Adjustments to reconcile profit before income tax expense to net cash provided by (used in) operating activities				
Depreciation	1,594	2,258	1,306	1,548
Share of profit of associates	(6,477)	(6,125)	-	-
Estimation of employee benefit obligations	1,062	1,257	626	750
Net unrealized gain on current investment	(101)	-	(56)	-
Gain on disposal of equipment	(189)	(71)	(247)	(560)
Loss (gain) on exchange rate	3	(12)	3	(11)
Dividend income from associated companies	-	-	(600)	(1,500)
Profit from operations before changes of operating assets and liabilities	5,699	17,722	3,144	6,322
Change in operating assets (increase) decrease				
Trade and other receivables	152,871	20,724	31,783	47,991
Unbilled contract revenue	(10,818)	(1,214)	(1,119)	14,501
Work-in-process	(7,988)	-	(4,478)	-
Refundable withholding tax	760	(229)	-	-
Other non-current assets	(96)	(319)	-	-

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

Unit: Thousand Baht

	"Unaudited but reviewed"			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Change in operating liabilities increase (decrease)		"Restated"		"Restated"
Trade and other payables	(133,016)	(96,171)	(24,441)	(59,816)
Other non-current assets	-	394	25	320
Cash from (used in) operating activities	7,412	(59,093)	4,914	9,318
Income tax paid	(1,015)	(3,082)	(420)	(1,002)
Cash paid for employee benefit obligations	(200)	(200)	(200)	(200)
Net cash from (used in) operating activities	6,197	(62,375)	4,294	8,116
Cash flows from investing activities				
Current investment increased	(19,736)	(46,121)	(2,000)	(53,513)
Proceeds on sales of investment in associated companies	-	532	-	532
Dividend received from associated companies	600	1,500	600	1,500
Acquisition of equipment	(793)	(4,025)	(199)	(1,968)
Proceeds on sales of equipment	654	123	467	561
Net cash used in investing activities	(19,275)	(47,991)	(1,132)	(52,888)
Net increase (decrease) in cash and cash equivalents	(13,078)	(110,366)	3,162	(44,772)
Cash and cash equivalents at beginning of the period	156,430	296,891	12,617	94,919
Cash and cash equivalents at end of the period	143,352	186,525	15,779	50,147

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

FAR 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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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 console 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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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:

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

	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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director 21
(Mrs.Malee Leelasiriwong)

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	0.95 - 3
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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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							<u>7,463</u>	<u>10,663</u>	<u>164,966</u>	<u>149,605</u>
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							<u>7,463</u>	<u>10,663</u>	<u>-</u>	<u>-</u>

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director 25
(Mrs.Malee Leelasiriwong)

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

.....Director

(Mrs.Chailada Tantivejakul)

.....Director 26

(Mrs.Malee Leelasiriwong)

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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

Unit : Thousand Baht

	Integrated				
	Fame Line	Springboard	Communication	Diginakhon Co.,	
	Co., Ltd.	Plus Co., Ltd.	Co., Ltd.	Ltd.	Total
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)

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

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

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

Unit: Thousand Baht

	Separate financial statements					
	December 31, 2016			December 31, 2015		
	Available- sale securities	for- General investments	Total	Available- sale securities	for- 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.

.....Director
(Mrs.Chailada Tantivejakul)

.....Director
(Mrs.Malee Leelasiriwong)

12. PROPERTY, PLANT AND EQUIPMENT - NET

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

	Unit: Thousand Baht					Total
	Consolidated financial statements					
	Land	Buildings and building improvements	Furniture, fixture and office equipment	Vehicles	Asset under installation	
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

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

Unit: Thousand Baht

	Separate financial statements					
	Buildings and building	Furniture, fixture and office equipment	Vehicles	Asset under installation	Total	
	Land improvements					
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

..... Director

(Mrs.Chailada Tantivejakul)

..... Director

(Mrs.Malee Leelasiriwong)

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	(6,988)	(3,546)	(10,398)	(6,482)

..... Director

(Mrs.Chailada Tantivejakul)

..... Director

(Mrs.Malee Leelasiriwong)

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 31, 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)	-	-	-	-
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)

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

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)

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

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

..... Director

(Mrs.Chailada Tantivejakul)

..... Director

(Mrs.Malee Leelasiriwong)

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.

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

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

	(Percentage (%)/annum)			
	Consolidated financial		Separate financial statements	
	statements	statements	statements	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.

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

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

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

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)

..... Director

(Mrs.Chailada Tantivejakul)

..... Director

(Mrs.Malee Leelasiriwong)

41

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.

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)

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.

..... Director

(Mrs.Chailada Tantivejakul)

..... Director

(Mrs.Malee Leelasiriwong)

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.

..... Director
(Mrs.Chailada Tantivejakul)

..... Director
(Mrs.Malee Leelasiriwong)