

Plan B Media Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2015

Independent Auditor's Report

To the Shareholders of Plan B Media Public Company Limited

I have audited the accompanying consolidated financial statements of Plan B Media Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Plan B Media Public Company Limited for the same period.

Management's Responsibility 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plan B Media Public Company Limited and its subsidiaries and of Plan B Media Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 18 February 2016

Plan B Media Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2015

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	428,587,770	60,625,168	392,743,691	55,824,407
Current investment	8	458,446,492	-	458,446,492	-
Trade and other receivables	9	670,103,530	473,707,735	648,113,944	473,705,802
Prepaid expenses amortised whithin 1 year	10	81,198,385	44,616,010	63,828,003	35,038,030
Short-term loans to related parties	6	-	-	144,740,000	-
Other current assets		28,727,639	25,686,952	19,455,008	22,715,177
Total current assets		1,667,063,816	604,635,865	1,727,327,138	587,283,416
Non-current assets					
Restricted bank deposits	11	7,500,000	140,668,756	7,500,000	140,668,756
Investment in subsidiaries	12	-	-	336,377,513	364,893,720
Investments in associate	13	707,718	-	-	-
Other long-term investment	14	10,000,000	10,000,000	10,000,000	10,000,000
Leasehold improvement and equipment	15	1,242,192,312	1,162,584,015	1,061,531,894	1,105,328,768
Intangible assets	16	329,809,828	291,176,239	141,785,992	99,269,810
Deferred tax assets	25	7,452,150	4,298,906	6,252,280	4,298,906
Prepaid expenses amortised more than 1 year	10	102,128,071	120,468,742	53,440,375	61,532,602
Rental deposits	17	15,343,249	12,000,000	35,953,632	39,757,010
Other non-current assets		10,416,550	19,571,131	10,063,796	19,560,031
Total non-current assets		1,725,549,878	1,760,767,789	1,662,905,482	1,845,309,603
Total assets		3,392,613,694	2,365,403,654	3,390,232,620	2,432,593,019

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	18	-	220,000,000	-	220,000,000
Trade and other payables	19	290,664,712	275,196,255	357,274,567	347,137,142
Current portion of long-term loans from financial i	20	-	252,332,000	-	252,332,000
Current portion of liabilities under financial					
lease agreements	21	2,131,530	61,796,868	2,131,530	61,796,868
Income tax payables		38,749,881	5,542,055	22,485,721	1,954,828
Unearned income		3,511,548	6,199,130	3,511,548	6,199,130
Undue output tax		48,115,579	36,523,569	41,134,774	31,741,290
Other current liabilities		24,824,267	17,460,186	12,037,332	16,267,740
Total current liabilities		407,997,517	875,050,063	438,575,472	937,428,998
Non-current liabilities					
Long-term loans from financial institutions - net o	20	-	706,072,244	-	706,072,244
Liabilities under financial lease agreements - net					
of current portion	21	892,262	25,153,474	892,262	25,153,474
Provision for long-term employee benefits		3,766,202	2,881,682	3,766,202	2,881,682
Total non-current liabilities		4,658,464	734,107,400	4,658,464	734,107,400
Total liabilities		412,655,981	1,609,157,463	443,233,936	1,671,536,398

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
Shareholders' equity					
Share capital					
Registered					
3,535,000,000 ordinary shares of Baht 0.1 each		353,500,000	353,500,000	353,500,000	353,500,000
Issued and fully paid					
3,507,399,813 ordinary shares of Baht 0.1 each					
(2014: 2,597,391,000 ordinary shares					
of Baht 0.1 each)	22	350,739,981	259,739,100	350,739,981	259,739,100
Share premium	22	2,171,708,528	426,260,900	2,171,708,528	426,260,900
Capital reserve for share-based payment transactions		8,555,871	-	8,555,871	-
Retained earnings					
Appropriated - statutory reserve	23	35,350,000	25,973,910	35,350,000	25,973,910
Unappropriated		391,606,772	44,272,281	380,644,304	49,082,711
Equity attributable to owners of the Company		2,957,961,152	756,246,191	2,946,998,684	761,056,621
Non-controlling interests of the subsidiaries		21,996,561	-	-	-
Total shareholders' equity		2,979,957,713	756,246,191	2,946,998,684	761,056,621
Total liabilities and shareholders' equity		3,392,613,694	2,365,403,654	3,390,232,620	2,432,593,019

The accompanying notes are an integral part of the financial statements.

Directors

Plan B Media Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit or loss:					
Revenues					
Service income		2,153,801,871	1,465,087,572	2,152,801,871	1,465,087,572
Dividend income	12	-	-	59,999,196	37,999,453
Other income		16,278,809	3,826,026	16,687,119	3,826,026
Total revenues		2,170,080,680	1,468,913,598	2,229,488,186	1,506,913,051
Expenses					
Cost of services		1,348,295,909	941,756,927	1,424,696,425	973,344,481
Selling and servicing expenses		150,446,241	100,112,824	150,446,241	100,112,824
Administrative expenses		151,746,350	101,516,198	147,152,858	98,882,391
Impairment loss on investment	12	-	-	28,516,207	28,516,207
Total expenses		1,650,488,500	1,143,385,949	1,750,811,731	1,200,855,903
Profit before share of loss from investments in associates,					
finance cost and income tax expenses		519,592,180	325,527,649	478,676,455	306,057,148
Share of loss from investments in associate		(342,282)	-	-	-
Profit before finance cost and income tax expense		519,249,898	325,527,649	478,676,455	306,057,148
Finance cost		(12,667,848)	(55,230,216)	(12,667,440)	(55,227,907)
Profit before income tax expenses		506,582,050	270,297,433	466,009,015	250,829,241
Income tax expenses	25	(101,306,846)	(63,714,733)	(81,571,332)	(52,284,936)
Profit for the year		405,275,204	206,582,700	384,437,683	198,544,305
Other comprehensive income:					
Actuarial gains		-	1,055,105	-	1,055,105
Less: income tax effect	25	-	(211,021)	-	(211,021)
Other comprehensive income for the year		-	844,084	-	844,084
Total comprehensive income for the year		405,275,204	207,426,784	384,437,683	199,388,389

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2015

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit attributable to:					
Equity holders of the Company		400,210,581	206,582,700	384,437,683	198,544,305
Non-controlling interests of the subsidiaries		5,064,623	-		
		<u>405,275,204</u>	<u>206,582,700</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		400,210,581	207,426,784	384,437,683	199,388,389
Non-controlling interests of the subsidiaries		5,064,623	-		
		<u>405,275,204</u>	<u>207,426,784</u>		
Earnings per share	26				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.11797</u>	<u>0.07953</u>	<u>0.11332</u>	<u>0.07644</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.11795</u>	<u>0.07953</u>	<u>0.11330</u>	<u>0.07644</u>

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash flows from operating activities				
Profit before tax	506,582,050	270,297,433	466,009,015	250,829,241
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	374,395,010	292,411,214	300,105,561	227,605,787
Allowance for doubtful accounts	-	1,243,385	-	1,243,385
Impairment loss on investment	-	-	28,516,207	28,516,207
Long-term employee benefits expenses	884,520	810,362	884,520	810,362
Dividend income	-	-	(59,999,196)	(37,999,453)
Share of loss from investments in associate	342,282	-	-	-
Interest income	(11,908,207)	(2,933,285)	(11,899,351)	(2,933,285)
Interest expenses	12,606,435	55,230,215	12,606,435	55,227,907
Profit from operating activities before changes in operating assets and liabilities	882,902,090	617,059,324	736,223,191	523,300,151
Operating assets (increase) decrease				
Trade and other receivables	(81,676,899)	(54,412,535)	(172,601,600)	(54,410,602)
Other current assets	(19,224,267)	8,878,227	(25,529,804)	9,074,645
Other non-current assets	30,916,536	36,755,761	21,391,840	18,056,702
Operating liabilities increase (decrease)				
Trade and other payables	65,377,405	(150,612,571)	52,603,045	(99,440,508)
Unearned income	(3,567,582)	(8,681,720)	(2,687,582)	(8,681,720)
Other current liabilities	(25,240,856)	20,095,414	5,163,074	15,871,373
Cash from operating activities	849,486,427	469,081,900	614,562,164	403,770,041
Cash paid for interest expenses	(24,548,584)	(67,653,241)	(24,548,584)	(67,650,932)
Cash paid for income tax expenses	(81,245,913)	(97,340,217)	(62,993,813)	(80,362,370)
Net cash from operating activities	743,691,930	304,088,442	527,019,767	255,756,739

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash flows from investing activities				
Decrease (increase) in restricted bank deposits	133,168,756	(13,507,040)	133,168,756	(13,507,040)
Increase in short-term loan to related party	-	-	(144,740,000)	-
Net cash paid for investments in subsidiaries	(136,560,986)	-	-	-
Net cash paid for investments in associate	(1,050,000)	-	-	-
Dividend received	-	-	59,999,196	37,999,453
Acquisition of equipment	(235,905,800)	(328,140,118)	(222,595,664)	(319,435,919)
Acquisition of intangible assets	(76,557,204)	(46,755,752)	(76,229,204)	(43,414,452)
Interest income	10,101,665	2,960,425	10,092,809	2,960,425
Increase in current investment	(458,446,492)	-	(458,446,492)	-
Net cash used in investing activities	(765,250,061)	(385,442,485)	(698,750,599)	(335,397,533)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial instit	(220,000,000)	44,000,000	(220,000,000)	44,000,000
Cash receipt from long-term loans from financial institutions	41,425,000	531,705,000	41,425,000	531,705,000
Repayment of long-term loans from financial institutions	(1,075,657,823)	(157,408,000)	(999,829,244)	(157,408,000)
Repayment of liabilities under financial lease agreements	(83,926,550)	(75,372,859)	(83,926,550)	(75,372,859)
Cash receipt from increase in share capital	1,845,004,380	-	1,845,004,380	-
Cash paid for dividend	(117,324,274)	(274,676,530)	(74,023,470)	(274,676,530)
Net cash from financing activities	389,520,733	68,247,611	508,650,116	68,247,611
Net increase (decrease) in cash and cash equivalents	367,962,602	(13,106,432)	336,919,284	(11,393,183)
Cash and cash equivalents at beginning of year	60,625,168	73,731,600	55,824,407	67,217,590
Cash and cash equivalents at end of year	428,587,770	60,625,168	392,743,691	55,824,407
	-	-	-	-
Supplementary cash flow information				
Non-cash transactions:				
Purchases of equipment through finance lease agreemer	-	1,122,353	-	1,122,353
Dividend payables	-	30,523,470	-	30,523,470

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2015

(Unit: Baht)

Consolidated financial statements									
				Capital reserve			Total equity	Equity attributable	
		Issued and		for share-based			attributable	to non-controlling	Total
		paid-up		payment	Retained earnings		to owners of	interests of	shareholders'
	Note	share capital	Share premium	transactions	Appropriated	Unappropriated	the Company	the subsidiaries	equity
Balance as at 1 January 2014		259,739,100	426,260,900	-	25,973,910	142,045,497	854,019,407	-	854,019,407
Profit for the year		-	-	-	-	206,582,700	206,582,700	-	206,582,700
Other comprehensive income		-	-	-	-	844,084	844,084	-	844,084
Total comprehensive income for the year		-	-	-	-	207,426,784	207,426,784	-	207,426,784
Dividend paid	29	-	-	-	-	(305,200,000)	(305,200,000)	-	(305,200,000)
Balance as at 31 December 2014		259,739,100	426,260,900	-	25,973,910	44,272,281	756,246,191	-	756,246,191
Balance as at 1 January 2015		259,739,100	426,260,900	-	25,973,910	44,272,281	756,246,191	-	756,246,191
Total comprehensive income for the year		-	-	-	-	400,210,581	400,210,581	5,064,623	405,275,204
Increase share capital	22	89,760,900	1,669,436,757	-	-	-	1,759,197,657	-	1,759,197,657
Capital reserve for share-based payment	22	1,239,981	76,010,871	8,555,871	-	-	85,806,723	-	85,806,723
Non-controlling interests of the subsidiaries	12	-	-	-	-	-	-	16,931,938	16,931,938
Dividend paid	29	-	-	-	-	(43,500,000)	(43,500,000)	-	(43,500,000)
Transferred to statutory reserve	23	-	-	-	9,376,090	(9,376,090)	-	-	-
Balance as at 31 December 2015		350,739,981	2,171,708,528	8,555,871	35,350,000	391,606,772	2,957,961,152	21,996,561	2,979,957,713

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2015

(Unit: Baht)

Separated financial statements							
		Issued and		Capital reserve	Retained earnings		Total
		paid-up	Share premium	for share-based			shareholders'
	<u>Note</u>	share capital		payment	Appropriated	Unappropriated	equity
				transactions			
Balance as at 1 January 2014		259,739,100	426,260,900	-	25,973,910	154,894,322	866,868,232
Profit for the year		-	-	-	-	198,544,305	198,544,305
Other comprehensive income		-	-	-	-	844,084	844,084
Total comprehensive income for the year		-	-	-	-	199,388,389	199,388,389
Dividend paid	29	-	-	-	-	(305,200,000)	(305,200,000)
Balance as at 31 December 2014		<u>259,739,100</u>	<u>426,260,900</u>	<u>-</u>	<u>25,973,910</u>	<u>49,082,711</u>	<u>761,056,621</u>
Balance as at 1 January 2015		259,739,100	426,260,900	-	25,973,910	49,082,711	761,056,621
Total comprehensive income for the year		-	-	-	-	384,437,683	384,437,683
Increase share capital	22	89,760,900	1,669,436,757	-	-	-	1,759,197,657
Capital reserve for share-based payment trans	22	1,239,981	76,010,871	8,555,871	-	-	85,806,723
Dividend paid	29	-	-	-	-	(43,500,000)	(43,500,000)
Transferred to statutory reserve	23	-	-	-	9,376,090	(9,376,090)	-
Balance as at 31 December 2015		<u>350,739,981</u>	<u>2,171,708,528</u>	<u>8,555,871</u>	<u>35,350,000</u>	<u>380,644,304</u>	<u>2,946,998,684</u>

The accompanying notes are an integral part of the financial statements.

Plan B Media Public Company Limited and its subsidiaries

Notes to financial statements

For the year ended 31 December 2015

1. General information

Plan B Media Public Company Limited (“the Company”) is a company incorporated and domiciled in Thailand. The Company is principally engaged in providing advertising media production, advertising space and air time rental services. The registered office of the Company is at 298/64-65, Pitsanulok Road, Si Yaek Mahanak, Dusit, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

- a) These consolidated financial statements include the financial statements of Plan B Media Public Company Limited (“the Company”) and the following subsidiary companies (“the Subsidiaries”).

Company's name	Nature of business	Incorporation	Percentage of shareholding	
			2015	2014
<u>Subsidiaries directly held by the Company</u>			Percent	Percent
1. Verisign Company Limited	Advertising media production and advertising space rental	Thailand	100	100
2. Ads Cuisine Company Limited	Advertising media production and advertising space rental	Thailand	100	100
3. Master Standard Display Company Limited	Advertising media production and advertising space rental	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) During this year, there was the following change in the composition of the subsidiaries:

Company's name	Nature of business	Incorporation	Percentage of shareholding Percent
<u>Subsidiaries directly held by</u>			
<u>Master Standard Display Company Limited</u>			
Triple Play Company Limited	Adverting media design production and advertising agency	Thailand	100
Mercy Plus Company Limited	Advertising media production	Thailand	100
The One Plus Company Limited	Adverting media design production and advertising agency	Thailand	100
Maxview Media Group Company Limited	Advertising media production	Thailand	85

The Company included the financial statements of the four companies in the consolidated financial statements in the current year.

The Company has considered the acquisition of the above four companies in accordance with the requirements of Thai Financial Reporting Standard No. 3 (Amended 2014) Business Combination and concluded that these acquisitions are, in substance, asset acquisitions.

- e) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) 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.

2.3 The separate financial statements present investment in subsidiary under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

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

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. 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's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

IFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

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 (revised 2015) and new financial reporting standards and accounting treatment guidance which is 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. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Rendering of services

Service revenue represents advertising revenues, advertising space and air time rental. Service income is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividend income

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Investments

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

Investment in associate is accounted for in the consolidated financial statements using the equity method.

4.5 Leasehold improvement and equipment/Depreciation

Leasehold improvement and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of leasehold improvement and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Leasehold improvement	-	5,10 years
Furniture and office equipment	-	5 years
Motor vehicles	-	5 years
Advertising equipment and related equipment	-	5-8 years

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

4.6 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 - 10 years
Leasehold right	4.9 - 9 years
License	3 - 9 years

4.7 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Company and its subsidiaries.

4.8 Long-term leases

Leases of building and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the assets.

Leases of building and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.9 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.10 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.11 Provisions

Provisions are recognised when the Company and its subsidiaries have 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.

4.12 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.13 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.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

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

Leasehold improvement and equipment/Depreciation

In determining depreciation of leasehold improvement and equipment, the management is required to make estimates of the useful lives and residual values of the leasehold improvement and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review leasehold improvement and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
Transactions with subsidiary					
(eliminated from the consolidated financial statements)					
Advertising space rental expenses	-	-	194.0	120.0	Contract price
Dividend income	-	-	60.0	38.0	As declared
Transactions with related parties					
Advertising space rental expenses	21.3	21.3	21.3	21.3	Contract price
Transactions with director					
Rental expenses	3.6	3.6	3.6	3.6	Contract price

As at 31 December 2015 and 2014 the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<u>Rental deposits</u>				
Subsidiary company	-	-	29,884	27,757
Director	403	403	403	403
Total rental deposits	<u>403</u>	<u>403</u>	<u>30,287</u>	<u>28,160</u>
<u>Trade and other payable - related parties</u>				
(Note 19)				
Subsidiary company	-	-	100,346	73,101
Total trade and other payable - related parties	<u>-</u>	<u>-</u>	<u>100,346</u>	<u>73,101</u>

As at 31 December 2015 and 2014, the balance of loans between the Company and those related company and the movement are as follows:

(Unit: Thousand Baht)

	Separated financial statements			
	Balance as at	During the year		Balance as at
	1 January 2015	Increase	Decrease	31 December 2015
<u>Loan to related party</u>				
<u>Subsidiary</u>				
Master Standard Display				
Company Limited	-	144,740	-	144,740
Total	-	144,740	-	144,740

Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	Consolidated/Separate financial statements	
	For the year ended 31 December	
	<u>2015</u>	<u>2014</u>
Short-term employee benefit	39	33
Total	39	33

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash	-	364	-	-
Bank deposits - current and saving accounts	428,588	60,261	392,744	55,824
Total	428,588	60,625	392,744	55,824

As at 31 December 2015, bank deposits in saving accounts and fixed deposits carried interests at 0.50 - 0.75 percent per annum (2014: at 0.63 percent per annum).

8. Current investment

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Fixed deposits	458,446	-	458,446	-
Total	<u>458,446</u>	<u>-</u>	<u>458,446</u>	<u>-</u>

As at 31 December 2015, fixed deposits carried interest at 1.625 percent per annum.

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Trade receivables - unrelated parties				
<u>Aged on the basis of due dates</u>				
Not yet due	572,485	454,071	560,388	454,069
Past due				
Up to 3 months	44,218	17,325	43,966	17,325
3 - 6 months	4,281	1,683	4,281	1,683
6 - 12 months	20,469	-	14,811	-
Over 12 months	1,243	1,243	1,243	1,243
Total	<u>642,696</u>	<u>474,322</u>	<u>624,689</u>	<u>474,320</u>
Less: Allowance for doubtful debts	<u>(1,243)</u>	<u>(1,243)</u>	<u>(1,243)</u>	<u>(1,243)</u>
Total trade receivables - unrelated parties, net	<u>641,453</u>	<u>473,079</u>	<u>623,446</u>	<u>473,077</u>
Other receivables				
Accrued income	10,404	150	22,121	150
Other receivables	16,360	145	4	145
Others	1,887	334	2,543	334
Total other receivables	<u>28,651</u>	<u>629</u>	<u>24,668</u>	<u>629</u>
Total trade and other receivables - net	<u>670,104</u>	<u>473,708</u>	<u>648,114</u>	<u>473,706</u>

10. Prepaid expenses

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Prepaid advertising space rental	151,559	145,041	91,936	76,527
Others	31,767	20,044	25,332	20,044
Total prepaid expenses	183,326	165,085	117,268	96,571
Less: Amortised within 1 year	(81,198)	(44,616)	(63,828)	(35,038)
Prepaid expenses amortised more than 1 year	102,128	120,469	53,440	61,533

11. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure credit facilities.

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received for the years	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
			(%)	(%)				
Verisign Company Limited	126,000	126,000	100	100	400,000	400,000	49,999	29,999
Ads Cuisine Company Limited	10,000	10,000	100	100	65,800	65,800	10,000	4,000
Master Standard Display Company Limited	12,000	12,000	100	100	80,000	80,000	-	4,000
Total investments in subsidiaries					545,800	545,800	59,999	37,999
Less : Impairment loss on investment					(209,423)	(180,906)		
Total investments in subsidiaries - net					336,377	364,894		

a) Investment in Triple Play Company Limited

On 2 July 2015, the Board of Directors of Master Standard Display Company Limited ("MSD") passed a resolution approving the purchase of shares in Triple Play Company Limited. Subsequently, MSD entered into the Share Purchase Agreement to purchase 3,099,998 common shares of Triple Play Company Limited from former shareholders (equal to 99.99 percentage of issued and paid-up shares of that company). MSD paid Baht 12 million on 3 July 2015 (the acquisition date) for such shares acquisition.

The fair values of assets acquired and liabilities assumed from Triple Play Company Limited as at the acquisition date were summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	149
Trade and other receivables	1,185
Other current assets	6,143
Equipment	2,438
Rental Deposits	2,396
Trade and other payables	(131)
Other current liabilities	(180)
Net assets of the subsidiary	12,000
Cash payment for purchase of investments in subsidiary	(12,000)
	-
Cash payment for purchase of investment in subsidiary	12,000
Less: Cash and cash equivalents of the subsidiary	(149)
Net cash payment for purchase of investment in subsidiary	11,851

b) Investment in Maxview Media Group Company Limited

On 21 September 2015, the Board of Directors of Master Standard Display Company Limited (“MSD”) passed a resolution approving the purchase of shares in Maxview Media Group Company Limited. Subsequently, on 24 September 2015, MSD entered into the Share Purchase Agreement to purchase 850,000 common shares of Maxview Media Group Company Limited from former shareholders (equal to 85 percentage of issued and paid-up shares of that company). MSD paid Baht 121.74 million on 6 October 2015 (the acquisition date) for such shares acquisition.

The fair values of assets acquired and liabilities assumed from Maxview Media Group Company Limited as at the acquisition date were summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	19,929
Trade and other receivables	93,485
Other current assets	14,151
Equipment	150,012
Deposits	2,203
Trade and other payables	(34,982)
Rental Deposits	(1,088)
Loan	(75,829)
Corporate income tax payables	(10,256)
Unearned revenue	(880)
Dividend Payable	(43,300)
Other current liabilities	(566)
Net assets of the subsidiary	112,879
Non-controlling interests of subsidiary (15 percent)	(16,931)
Net assets of the subsidiary attributable to MSD's interest (85 percent)	95,948
Cash payment for purchase of investments in subsidiary	121,740
Intangible assets	25,792
Cash payment for purchase of investment in subsidiary	121,740
Less: Cash and cash equivalents of the subsidiary	(19,929)
Net cash payment for purchase of investment in subsidiary	101,811

c) Investment in Mercy Plus Company Limited

On 12 November 2015, the Board of Directors of Master Standard Display Company Limited ("MSD") passed a resolution approving the purchase of shares in Mercy Plus Company Limited. Subsequently, on 13 November 2015, MSD entered into the Share Purchase Agreement to purchase 29,998 common shares of Mercy Plus Company Limited from former shareholders (equal to 99.99 percentage of issued and paid-up shares of that company). MSD paid Baht 3 million on 13 November 2015 (the acquisition date) for such shares acquisition.

The fair values of assets acquired and liabilities assumed from Mercy Plus Company Limited as at the acquisition date were summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	5
Trade and other receivables	2,760
Other current assets	318
Trade and other payables	(100)
Net assets of the subsidiary	2,983
Cash payment for purchase of investments in subsidiary	3,000
Intangible assets	17
Cash payment for purchase of investment in subsidiary	3,000
Less: Cash and cash equivalents of the subsidiary	(5)
Net cash payment for purchase of investment in subsidiary	2,995

d) Investment in The One Plus Company Limited

On 9 December 2015, the Board of Directors of Master Standard Display Company Limited (“MSD”) passed a resolution approving the purchase of shares in The One Plus Company Limited. Subsequently, on 9 December 2015, MSD entered into the Share Purchase Agreement to purchase 169,998 common shares of The One Plus Company Limited from former shareholders (equal to 99.99 percentage of issued and paid-up shares of that company). MSD paid Baht 20 million on 9 December 2015 (the acquisition date) for such shares acquisition.

The fair values of assets acquired and liabilities assumed from The One Plus Company Limited as at the acquisition date were summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	95
Trade and other receivables	15,483
Other current assets	640
Equipment	226
Deposits	2,912
Other non-current asset	342
Trade and other payables	(643)
Corporate income tax payables	(591)
Other current liabilities	(152)
Net assets of the subsidiary	18,312
Cash payment for purchase of investments in subsidiary	20,000
Intangible assets	1,688

(Unit: Thousand Baht)

Cash payment for purchase of investment in subsidiary	20,000
Less: Cash and cash equivalents of the subsidiary	(95)
Net cash payment for purchase of investment in subsidiary	<u>19,905</u>

The Company has considered the acquisition of the above four companies in accordance with the requirements of Thai Financial Reporting Standard No. 3 (Amended 2014) Business Combination and concluded that these acquisitions are, in substance, asset acquisitions.

In addition, on 3 November 2015, the Board of Directors of Master Standard Display Company Limited ("MSD") passed a resolution approving purchase of 3,000 common shares of Sanctuary Billboards Sdn Bhd from former shareholders (representing 30 percentage of the issued and paid-up shares of that company). During January and February 2016, MSD made payment Baht 21.38 million for such shares.

13. Investments in associate

13.1 Details of investments in associate

2000 Publishing and Media Company Limited

On 28 September 2015, the Board of Directors of Master Standard Display Company Limited ("MSD") passed a resolution approving the purchase of shares in 2000 Publishing and Media Company Limited. Subsequently, on 16 October 2015, MSD entered into the Share Purchase Agreement to purchase 35,000 common shares of 2000 Publishing and Media Company Limited from former shareholders (equal to 35 percentage of the issued and paid-up shares of that company) for Baht 1.05 million. The shares of such company were transferred on 13 November 2015 (the acquisition date).

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2015 (%)	2014 (%)	2015	2014	2015	2014
2000 Publishing and Media Company Limited	Trading of books, printed forms and other printed matters	Thailand	35	-	1,050	-	708	-
Total					<u>1,050</u>	<u>-</u>	<u>708</u>	<u>-</u>

13.2 Share of loss

During the year, the Company has recognised its share of loss from investment in associate company in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Associated	Consolidated financial statements	
	Share of loss from investment in associate	
	<u>2015</u>	<u>2014</u>
2000 Publishing and Media Company Limited	342	-
Total	<u>342</u>	<u>-</u>

13.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Million Baht)

	<u>2015</u>	<u>2014</u>
Current assets	4.8	-
Non-current assets	1.5	-
Current liabilities	3.3	-
Net assets	9.6	-
Shareholding percentage (%)	35%	-
Share of net assets	3.4	-

Summarised information about comprehensive income

(Unit: Million Baht)

	<u>2015</u>	<u>2014</u>
Revenue	0.6	-
Loss	0.3	-

14. Other long-term investment

The outstanding balance is investment in subordinated bonds of a financial institution, which is classified as a held-to-maturity debt security. The bonds bear interest at a rate of 4.38% per annum and interest is paid twice a year.

15. Leasehold improvement and equipment

(Unit : Thousand Baht)

Consolidated financial statements						
	Leasehold improvement	Furniture and office equipment	Motor vehicles	Advertising equipment and related equipment	Assets under installation	Total
Cost :						
1 January 2014	18,850	17,093	12,839	939,606	378,453	1,366,841
Additions	981	4,377	817	8,977	314,111	329,263
Transfers in (out)	-	6,109	-	523,215	(529,324)	-
31 December 2014	19,831	27,579	13,656	1,471,798	163,240	1,696,104
Additions	231	4,502	-	1,158	230,015	235,906
Acquisition of subsidiaries during the year	-	4,288	-	117,278	31,110	152,676
Transfers in (out)	5,159	113	-	181,577	(186,849)	-
31 December 2015	25,221	36,482	13,656	1,771,811	237,516	2,084,686
Accumulated depreciation:						
1 January 2014	6,520	7,355	4,231	270,088	-	288,194
Depreciation for the year	2,106	3,969	2,636	230,301	-	239,012
31 December 2014	8,626	11,324	6,867	500,389	-	527,206
Depreciation for the year	2,896	6,625	2,667	296,786	-	308,974
31 December 2015	11,522	17,949	9,534	797,175	-	836,180
Allowance for impairment loss:						
31 December 2014	-	-	-	6,314	-	6,314
31 December 2015	-	-	-	6,314	-	6,314
Net book value:						
31 December 2014	11,205	16,255	6,789	965,095	163,240	1,162,584
31 December 2015	13,699	18,533	4,122	968,322	237,516	1,242,192
Depreciation for the year						
2014 (Baht 228 million included in cost of services, and the balance in selling, servicing and administrative expenses)						239,012
2015 (Baht 299 million included in cost of services, and the balance in selling, servicing and administrative expenses)						308,974

(Unit : Thousand Baht)

	Separate financial statements					
	Leasehold improvement	Furniture and office equipment	Motor vehicles	Advertising equipment and related equipment	Assets under installation	Total
Cost :						
1 January 2014	18,850	17,012	12,839	823,984	378,453	1,251,138
Additions	981	4,377	817	273	314,110	320,558
Transfers in (out)	-	6,109	-	523,215	(529,324)	-
31 December 2014	19,831	27,498	13,656	1,347,472	163,239	1,571,696
Additions	231	4,502	-	1,157	216,706	222,596
Transfers in (out)	5,159	113	-	181,400	(186,672)	-
31 December 2015	25,221	32,113	13,656	1,530,029	193,273	1,794,292
Accumulated depreciation:						
1 January 2014	6,520	7,334	4,231	237,275	-	255,360
Depreciation for the year	2,106	3,940	2,636	196,011	-	204,693
31 December 2014	8,626	11,274	6,867	433,286	-	460,053
Depreciation for the year	2,896	5,287	2,667	255,543	-	266,393
31 December 2015	11,522	16,561	9,534	688,829	-	726,446
Allowance for impairment loss:						
31 December 2014	-	-	-	6,314	-	6,314
31 December 2015	-	-	-	6,314	-	6,314
Net book value:						
31 December 2014	11,205	16,224	6,789	907,872	163,239	1,105,329
31 December 2015	13,699	15,552	4,122	834,886	193,273	1,061,532
Depreciation for the year						
2014 (Baht 196 million included in cost of services, and the balance in selling, servicing and administrative expenses)						204,693
2015 (Baht 256 million included in cost of services, and the balance in selling, servicing and administrative expenses)						266,393

As at 31 December 2015, the Company had advertising equipment and related equipment and vehicles under finance lease agreements with net book values amounting to Baht 81 million (2014: Baht 156 million).

As at 31 December 2015, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 31 million (2014: Baht 18 million).

16. Intangible assets

The net book value of intangible assets as at 31 December 2015 and 2014 is presented below.

(Unit : Thousand Baht)

	Consolidated financial statements			
	Licenses	Computer software	Leasehold right	Total
As at 31 December 2015				
Cost	385,836	7,205	229,158	622,199
<u>Less</u> Accumulated amortisation	(85,086)	(2,577)	(79,186)	(166,849)
<u>Less</u> Allowance for impairment loss	(125,460)	(80)	-	(125,540)
Net book value	175,290	4,548	149,972	329,810

(Unit : Thousand Baht)

	Consolidated financial statements			
	Licenses	Computer software	Leasehold right	Total
As at 31 December 2014				
Cost	358,339	6,231	153,575	518,145
<u>Less</u> Accumulated amortization	(55,447)	(1,905)	(44,077)	(101,429)
<u>Less</u> Allowance for impairment loss	(125,460)	(80)	-	(125,540)
Net book value	177,432	4,246	109,498	291,176

(Unit : Thousand Baht)

	Separate financial statements		
	Computer software	Leasehold right	Total
As at 31 December 2015			
Cost	7,205	211,745	218,950
<u>Less</u> Accumulated amortisation	(2,577)	(74,507)	(77,084)
<u>Less</u> Allowance for impairment loss	(80)	-	(80)
Net book value	4,548	137,238	141,786

(Unit : Thousand Baht)

	Separate financial statements		
	Computer software	Leasehold right	Total
As at 31 December 2014			
Cost	6,231	136,490	142,721
<u>Less</u> Accumulated amortisation	(1,905)	(41,466)	(43,371)
<u>Less</u> Allowance for impairment loss	(80)	-	(80)
Net book value	4,246	95,024	99,270

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	291,176	297,820	99,270	78,767
Acquisition of computer software	974	1,734	974	1,734
Acquisition of leasehold right	75,583	45,022	75,255	41,680
Increase of licenses from acquisitions of subsidiaries	27,497	-	-	-
Amortisation	(65,420)	(53,400)	(33,713)	(22,911)
Net book value at end of year	329,810	291,176	141,786	99,270

17. Rental deposits

The balance is the rental bonds for advertising space placed with 3 companies under agreements with terms of 3 years to 5 years and 6 months. The bond will be returned to the Company as specified in the contracts, over periods of 7 days to 60 months.

18. Short-term loans from financial institutions

		(Unit: Thousand Baht)	
	Interest rate (percent per annum)	Consolidated/Separate financial statements	
		<u>2015</u>	<u>2014</u>
Short-term loans from financial institution	MLR - 2	-	220,000
Total		-	220,000

Bank overdrafts are secured by the mortgage of land with structures thereon of the Company's director, together with a guarantee provided by the director. Short-term loan from a financial institution is secured by the pledge of the savings account of the director, together with a guarantee provided by the director.

19. Trade and other payables

		(Unit: Thousand Baht)	
	Consolidated financial statements		Separate financial statements
	<u>2015</u>	<u>2014</u>	<u>2015</u> <u>2014</u>
Trade payables - related parties	-	-	100,346 73,101
Trade payables - unrelated parties	116,141	100,263	73,708 100,200
Accrued expenses	110,593	86,928	128,989 85,831
Dividend payables	-	30,523	- 30,523
Account payables for construction	59,632	53,315	50,068 53,315
Other payables - unrelated parties	4,299	4,167	4,164 4,167
Total trade and other payables	<u>290,665</u>	<u>275,196</u>	<u>357,275</u> <u>347,137</u>

20. Long-term loans

		(Unit: Thousand Baht)	
		Consolidated/Separate financial statements	
		<u>2015</u>	<u>2014</u>
Long-term loans		-	958,404
Less: current portion		-	(252,332)
Long-term loans, net of current portion		-	706,072

Long-term loans are secured by the pledge of the Company's saving account and saving account of the Company's director, together with a guarantee provided by the director.

During the year, the Company repaid such loans in full.

As at 31 December 2015, the long-term credit facilities of the Company which have not yet been drawn down amounted to Baht 150 million (2014: Baht 67 million).

21. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	Consolidated/ Separate financial statements	
	<u>2015</u>	<u>2014</u>
Liabilities under finance lease agreements	3,154	98,338
Less : Deferred interest expenses	<u>(130)</u>	<u>(11,388)</u>
Total	3,024	86,950
Less : Portion due within one year	<u>(2,132)</u>	<u>(61,797)</u>
Liabilities under finance lease agreements - net of current portion	<u>892</u>	<u>25,153</u>

The Company has entered into the finance lease agreements with leasing companies for rental of advertising equipment and related and vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Thousand Baht)		
	Consolidated/Separate financial statements		
	As at 31 December 2015		
	Less than		
	<u>1 year</u>	<u>1-5 years</u>	<u>Total</u>
Future minimum lease payments	2,242	912	3,154
Deferred interest expenses	<u>(110)</u>	<u>(20)</u>	<u>(130)</u>
Present value of future minimum lease payments	<u>2,132</u>	<u>892</u>	<u>3,024</u>

	(Unit: Thousand Baht)		
	Consolidated/Separate financial statements		
	As at 31 December 2014		
	Less than		
	<u>1 year</u>	<u>1-5 years</u>	<u>Total</u>
Future minimum lease payments	70,622	27,716	98,338
Deferred interest expenses	<u>(8,825)</u>	<u>(2,563)</u>	<u>(11,388)</u>
Present value of future minimum lease payments	<u>61,797</u>	<u>25,153</u>	<u>86,950</u>

22. Share capital

22.1 During 9 - 11 February 2015, the Company made a public offering of the 897,609,000 additional shares at a price of Baht 2 per share, or for a total of Baht 1,795 million and received payment of this share capital increment on 12 February 2015. All direct expenses related to the share offering amounting to Baht 36 million are presented as a deduction from the share premium. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 13 February 2015.

22.2 On 11 December 2014, the Extraordinary General Shareholders' Meeting of the Company approved an offering of 40,000,000 additional ordinary shares with a par value of Baht 0.1 per share to directors, management and/or employees of the Company and/or its subsidiaries under an ESOP scheme. The shares will be offered for sale as part of an ongoing scheme over 3 years (2015 to 2018). The Company will allot one third of all additional ordinary shares under the ESOP scheme each year, with the first offering to be made within 1 year from the date that the shareholders' meeting approved the scheme.

On 3 December 2015, the Board of Directors Meeting no. 11/2558 approved additional details of the first year's offering of additional ordinary shares under the ESOP scheme, as follows:

Number of ordinary shares offered in first year	:	13,333,331 ordinary shares or 33.33% of total shares under ESOP scheme
Offering date	:	8 - 9 December 2015
Exercise price	:	Price equal to 90 percent of the Market Price prior to the date of the offering, with Market Price defined as the weighted average trading price of the shares on the SET during a period of 7 - 15 consecutive business days prior to each Offering Period.
Exercise price for this year	:	Baht 6.23 per share, which is equal to 90 per cent of the weighted average trading price of the ordinary shares of the Company on the SET during the 7 consecutive business days prior to this offering period i.e. 26,27,30 November and 1- 4 December 2015.

- Allotment Criteria : To be entitled to shares, directors, executives and/or employees must satisfy the following criteria:
- (1) Have been a director, executive and/or employee of the Company and/or its subsidiaries for not less than one year as of the date of the allotment and remain a director, executive and/or employee of the Company and/or its subsidiaries at the time each year's allotment is made; and
 - (2) the number of newly issued ordinary shares to be allotted to each director, executive and/or employee of the Company/or its subsidiaries may vary depending upon position, experience, responsibilities, period of employment, performance, capability, efficiency and prior performance as well as the benefit which he/she is expected to generate for the Company and its subsidiaries in the future.

The Company allotted 13,333,331 additional ordinary shares as part of the first year's offering, with 12,399,813 shares exercised and the remaining 933,518 shares carried forward as part of next year's entitlement.

During the year, the Company recorded expenses amounting to Baht 8.5 million as personnel expenses. As at 31 December 2015, the Company had capital reserves for share-based payment of Baht 8.5 million.

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

According to the Thai Civil and Commercial Code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least five percent of its net profit each time the Company pays out a dividend, until such reserve reaches ten percent of its registered share capital. The statutory reserve cannot be used for dividend payment.

24. Expenses by nature

Significant expenses by nature are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Salary and wages and other employee benefits	145,887	95,018	145,887	95,018
Depreciation and amortization expenses	374,395	292,411	300,106	227,606
Rental of advertising space expenses	692,378	449,090	854,747	550,855
Signboard, house and building tax expenses	21,336	12,485	19,718	11,059
Sales promotion expenses	76,285	36,771	76,285	36,771
Media production expenses	74,601	65,711	74,601	65,711
Commission expenses	25,686	21,532	25,686	21,532
Repair and maintenance expenses	16,097	16,933	15,768	16,716
Impairment loss on investment	-	-	28,516	28,516

25. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current income tax:				
Current income tax charge	103,557	66,321	83,524	54,891
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,250)	(2,606)	(1,953)	(2,606)
Income tax expense reported in the statement of comprehensive income	<u>101,307</u>	<u>63,715</u>	<u>81,571</u>	<u>52,285</u>

The amounts of income tax relating to each component of other comprehensive income for year ended 31 December 2015 and 2014 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to actuarial gains	-	211	-	211
	<u>-</u>	<u>211</u>	<u>-</u>	<u>211</u>

The reconcile between accounting profit and income tax expense is shown below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Accounting profit before tax	<u>506,582</u>	<u>270,297</u>	<u>466,009</u>	<u>250,829</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	101,316	54,059	93,202	50,166
Adjustment in respect of current income tax of previous year	(2,250)	(2,606)	(1,953)	(2,606)
Effects of:				
Non-deductible expenses	10,973	9,969	9,448	9,846
Additional expense deductions allowed	(8,184)	(236)	(7,813)	(236)
Exemption of income	-	-	(12,000)	(7,600)
Others	(548)	2,529	687	2,715
Total	<u>2,241</u>	<u>12,262</u>	<u>(9,678)</u>	<u>4,725</u>
Income tax expenses reported in the statement of comprehensive income	<u>101,307</u>	<u>63,715</u>	<u>81,571</u>	<u>52,285</u>

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax assets				
Allowance for doubtful accounts	249	249	249	249
Allowance for asset impairment	1,263	1,263	1,263	1,263
Allowance for intangibles assets impairment	16	16	16	16
Accrued rental on straight line method	5,171	2,195	3,971	2,195
Provision for long-term employee benefits	753	576	753	576
Total	<u>7,452</u>	<u>4,299</u>	<u>6,252</u>	<u>4,299</u>

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	400,211	206,583	3,392,495	2,597,391	0.11797	0.07953
Effect of dilutive potential ordinary shares						
Ordinary shares under ESOP project	-	-	665	-		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming ordinary shares are purchased under ESOP	<u>400,211</u>	<u>206,583</u>	<u>3,393,160</u>	<u>2,597,391</u>	0.11795	0.07953

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	384,438	198,544	3,392,495	2,597,391	0.11332	0.07644
Effect of dilutive potential ordinary shares						
Ordinary shares under ESOP project	-	-	665	-		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming ordinary shares are purchased under ESOP	<u>384,438</u>	<u>198,544</u>	<u>3,393,160</u>	<u>2,597,391</u>	0.11330	0.07644

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The operations of the Company and its subsidiaries involve a single industry segment, namely, advertising media production, advertising space and air time rental. These operations are carried on in the single geographic area in Thailand. Accordingly, revenues, income and assets as reflected in these financial statements pertain to the industry segment and geographic area mentioned above.

Major customers

For the year 2015, the Company and its subsidiary have revenue from two major customers in amount of Baht 549 Million and Baht 282 million (2014: revenue from two major customers in amount of Baht 340 million and Baht 202 million).

28. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees, the Company and its subsidiaries contribute to the fund monthly at the rate of 3 - 5 percent of basic salary. The fund, which is managed by Thanachart Fund Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2015, the Company contributed Baht 3 million to the fund (2014: Baht 2 million).

29. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Interim dividends for 2015	Board of Directors' meeting on 26 January 2015	43.5	0.01675
Total for 2015		43.5	0.01675
Final dividends for 2013	Annual General Shareholders' meeting on 28 April 2014	215.20	0.83
Interim dividends for 2014	Board of Directors' meeting on 25 December 2014	90.00	0.35
Total for 2014		305.20	1.18

30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2015, the Company had capital commitments of approximately Baht 302 million (2014: Baht 93 million), relating to the construction of advertising equipment and related equipment.

30.2 Operating lease commitments

The Company and its subsidiaries had entered into several lease agreements in respect of the lease of office building space and advertising space. The terms of the agreements are generally between 1 and 9 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Payable:				
In up to 1 year	894	578	792	573
In over 1 and up to 5 years	2,455	1,841	2,201	1,832
In over 5 years	1,643	1,871	1,607	1,870

In addition, the Company has commitments with seven counterparties, whereby it is required to pay additional rental expenses if revenue from advertising on rental space is higher than the minimum guarantee as stipulated in the contract. The amount to be paid is a share of the excess revenue determined on a straight line basis.

30.3 Guarantees

As at 31 December 2015, there were outstanding bank guarantees of approximately Baht 193 million (2014: Baht 159 million) and separate financial statements approximately Baht 161 million (2014: Baht 151 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. Bank guarantees are secured by the mortgage of land with structures thereon of the Company's director, together with a guarantee provided by the director.

31. Financial instruments

31.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, other receivables, other long-term investment, restricted bank deposits, short-term loans from financial institutions, trade and other payables, liabilities under finance lease agreement and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries exposed to credit risk primarily with respect to trade and other receivables. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, other long-term investment, short-term loans from financial institutions, and long-term loans. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit : Million Baht)

Consolidated financial statements							
As at 31 December 2015							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum.)
	Within 1 year	1-5 years	Over 5 years				
<u>Financial Assets</u>							
Cash and cash equivalent	-	-	-	429	-	429	0.50 - 0.75
Current investments	458	-	-	-	-	458	1.625
Trade and other receivables	-	-	-	-	670	670	-
Other long-term investment	-	-	10	-	-	10	4.38
Restricted bank deposits	8	-	-	-	-	8	0.875
Total	466	-	10	429	670	1,575	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	291	291	-
Liabilities under finance lease agreement	2	1	-	-	-	3	2.30-9.12
Total	2	1	-	-	291	294	

(Unit : Million Baht)

Consolidated financial statements						
As at 31 December 2014						
Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum.)
Within 1 year	1-5 years	Over 5 years				
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	61	-	61	0.63
Trade and other receivables	-	-	-	474	474	-
Other long-term investment	-	-	10	-	10	4.38
Restricted bank deposits	141	-	-	-	141	1.13
Total	141	-	10	474	686	
<u>Financial liabilities</u>						
Short-term loans from financial institutions	-	-	220	-	220	MLR-2
Trade and other payables	-	-	-	275	275	-
Long-term loans	-	-	958	-	958	Reference to the interest rate of fixed deposits and MLR
Liabilities under finance lease agreement	62	25	-	-	87	2.30-9.12
Total	62	25	-	1,178	275	1,540

(Unit : Million Baht)

Separate financial statements							
As at 31 December 2015							
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum.)
<u>Financial Assets</u>							
Cash and cash equivalent	-	-	-	393	-	393	0.50 - 0.75
Current investments	458	-	-	-	-	458	1.625
Trade and other receivables	-	-	-	-	648	648	-
Other long-term investment	-	-	10	-	-	10	4.38
Restricted bank deposits	8	-	-	-	-	8	0.875
Total	466	-	10	393	648	1,517	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	357	357	-
Liabilities under finance lease agreement	2	1	-	-	-	3	2.30-9.12
Total	2	1	-	-	357	360	

(Unit : Million Baht)

Separate financial statements							
As at 31 December 2014							
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum.)
<u>Financial Assets</u>							
Cash and cash equivalent	-	-	-	56	-	56	0.63
Trade and other receivables	-	-	-	-	474	474	-
Other long-term investment	-	-	10	-	-	10	4.38
Restricted bank deposits	141	-	-	-	-	141	1.13
Total	141	-	10	56	474	681	
<u>Financial liabilities</u>							
Short-term loans from financial institutions							
	-	-	-	220	-	220	MLR-2
Trade and other payables	-	-	-	-	347	347	-
Long-term loans	-	-	-	958	-	958	Reference to the interest rate of fixed deposits and MLR
Liabilities under finance lease agreement							
	62	25	-	-	-	87	2.30-9.12
Total	62	25	-	1,178	347	1,612	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk is nil since the business transactions are denominated in Thai Baht and no financial assets and liabilities denominated in foreign currencies outstanding as at the date of the statements of financial position.

31.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

32. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 0.14:1 (2014: 2.13:1) and the Company's was 0.15:1 (2014: 2.20:1).

33. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised Director on 18 February 2016.