

November 14, 2016

PB – IR/16-00004

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Subject: Submission of Financial Statements and the Management Discussion and Analysis of Plan B Media Public Company Limited (“the Company”) for the three-month period ended September 30, 2016 (“3Q16”)

To: The President
The Stock Exchange of Thailand

We are pleased to submit the following documents:

1. A copy of the Company Only and Consolidated Interim Financial Statements for the three-month period ended September 30, 2016 (a copy in Thai and English).
2. Management Discussion and Analysis (MD&A) for the three-month period ended September 30, 2016 (a copy in Thai and English).
3. The Company's performance report, Form F45-3 for the three-month period ended September 30, 2016 (a copy in Thai and English).

Please be informed accordingly.

Sincerely yours,

(Pinijorn Luechaikajohnpan, Ph.D.)
Authorized Director

1. Executive Summary

1.1 Key Financial Highlights for 3Q 2016

- Total Revenue was THB 657.0 million for the quarter, an increase of 14.3% from the corresponding period of the previous year.
- EBITDA was THB 270.4 million for the quarter, an increase of 16.0% from the corresponding period of the previous year.
- Net Profit excluding ESOP expenses was THB 133.9 million for the quarter, an increase of 17.8% from the corresponding period of the previous year.

	3Q 2016 THB (m)	% change (QoQ)	% change (YoY)
Total Revenue	657.0	7.1%	14.3%
EBITDA	270.4	14.9%	16.0%
Net Profit	122.3	10.6%	10.8%
Net Profit (Excluding ESOP and ESOP Warrant expenses, non-cash expense)	133.9	14.1%	17.8%

1.2 Summary of other important trends and results.

- With continuing effort to develop new products and diversify our media portfolio, the Company's business in 3Q 2016 continued to grow in spite of sluggish expansion in the advertising industry in the same period.
 - Total revenue of the Company for 3Q 2016 was THB 657.0 million, an increase of 7.1% from the previous period due to new product developments and acquisitions.
 - The new media assets have been well received by the market. The utilization rate of Plan B TV Nationwide, a digital billboard network in 45 major cities, surpassed 75% within the first 2 months of service, while the utilization rate of airport media, acquired during the previous year, was over 60% within 3 months.
- The revenue growth was a result of our continuing effort to develop new products and diversify our media portfolio as well as the acquisition of out-of-home media operators such as Plan B TV digital media nationwide in 45 cities, airport media and in-store media in the previous year. Consequently, media capacity for 3Q 2016 was THB 1,037.1 million, an increase of 34.2% from the same period last year.
- Our commitment to the continuous development of new media assets has increased depreciation and rental expense as parts of fixed costs. As a result, the ratio of fixed costs to total revenue during 3Q 2016 was relatively high and the net profit margin

consequently decreased to 18.6% in 3Q 2016, less than the net profit margin of 19.2% for the same period of last year.

- Overall utilization rates for 3Q 2016 increased to 60.3% from 58.8% in 2Q 2016, but declined from 73.2% in the same period last year due to the increased investment in expanding capacity. The Company has added new media capacity, such as expansion in digital media, airport media and in-store media in Big C. For the new media assets, it normally takes 3 – 6 months to grow the utilization rates to normal levels.
- Net profit for 3Q 2016 was reported at THB 122.3 million, a 10.6% increase from the previous period or a 10.8% increase from the same period last year. However, there were extra expenses from the ESOP and ESOP Warrant in the total amount of THB 11.6 million. Without these extra expenses, net profit for 3Q 2016 was THB 133.9 million, a 17.8% increase from the same period last year.
- Key developments in our media diversification and expansion of coverage for 3Q 2016 were as follows;
 - o The Company has started managing commercial rights of the Football Association of Thailand (“FAT”) and Premier League (Thailand) Co., Ltd. (“PLT”) since 3Q 2016. Although the main football tournament in 2016 finished earlier, the Company managed to derive income for FAT and PLT in the amount of THB 16.8 million and obtained THB 2.5 million of management fees for this period. These business development activities for FAT and PLT in 2016 allow the Company to be ready for being the official agency during 2017 – 2020 with annual target revenues of THB 500 – 900 million per year.
 - o Introducing Plan B TV Nationwide to reach a national footprint in 60 locations, 45 cities.
 - o Coverage expansion for In-mall media in Central World and Central Plaza Rama 3 with 10 LED screens in strategic locations.
- Near term strategy and developments in 2016-2017:
 - o The Company would focus on boosting its revenue and utilization rate from existing media that the Company started developing in 2016, which increased media capacity by 767.3 million baht.

2. Media Industry and Business Impact Analysis

The Thai economy in 3Q 2016 has exhibited positive signs of recovery thanks to the Government’s stimulus program. Private consumption has expanded due to several domestic factors particularly increased farmers’ income after the drought subsided. The export sector rebounded as the value of exported merchandise in August and September grew. The business confidence index in

the next 3 months increased to 54.7¹, up from 52.6 in the previous quarter. As a result of these positive factors, Thailand GDP is projected to grow at 3.4² % in the 3Q 2016.

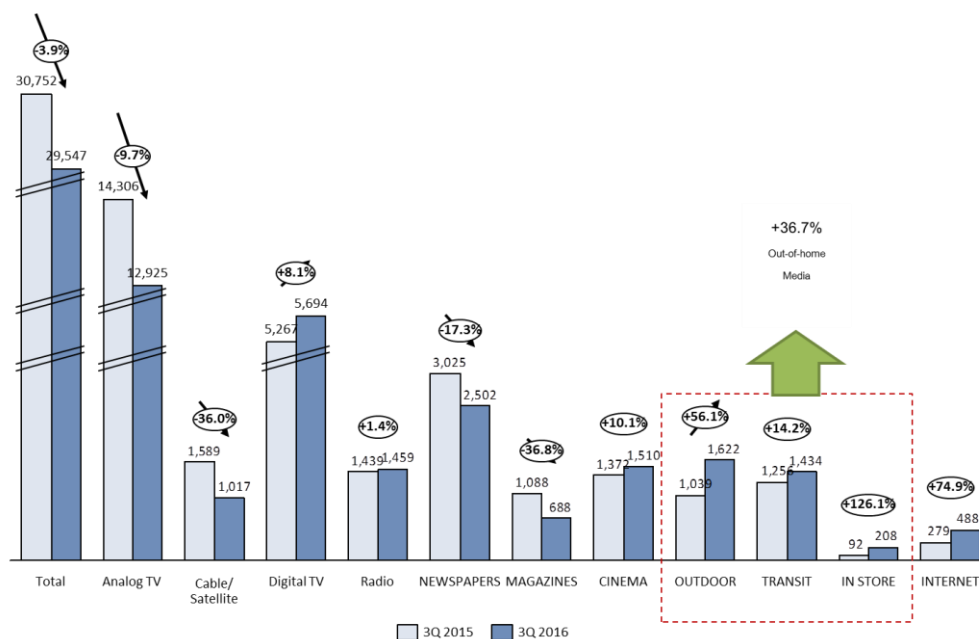
Despite several signs of economic recovery, manufacturers and service providers continue to manage their advertising spends carefully, and slowed their spending on television media including analog, digital and cable. Television media spending represents 66.5% of the overall advertising market. Due to the TV media's large contribution, the overall advertising spend has slowed and reverted to negative growth of -3.9³% in 3Q 2016 compared to the same period last year. Advertising spend across various channels experienced different growth profiles. Advertising spend on TV (including analog, digital and cable TV) contracted -7.2% from the same period last year. For online media, the growth was at 74.9% year-on-year driven by the rising popularity of online social media. Businesses allocated more advertising spend to online media due to improved performance measurement and its ability to generate online sales instantly. For out-of-home media, growth was 36.7% from the same period last year, a good performance against a weaker economy and advertising market. The reasons for the relative outperformance of out-of-home media are that this type of advertising is favored by consumer goods companies with budget constraints and is less affected by the trend towards online media. Furthermore, out-of-home media also aligns with continued urbanization trends and trends in consumer behavior, with people spending more time outside their residences.

The Company still recorded moderate growth despite the decline in overall advertising spending for 3Q 2016 at -3.9%. Total revenue of the Company 3Q 2016 grew 14.3% from the same period last year, significantly higher than the industry average. Investment in new media development and the shift of advertisers from traditional media like television and publications contributed to the outperformance as advertisers spent more on out-of-home media where advertising rates are lower and better fit with current consumer behavior trends. In 3Q 2016, the advertising share of out-of-home media (including transit media, outdoor media and in-store media) rose to 11.0% from 7.8% in the same period last year.

¹ Source: Bank of Thailand

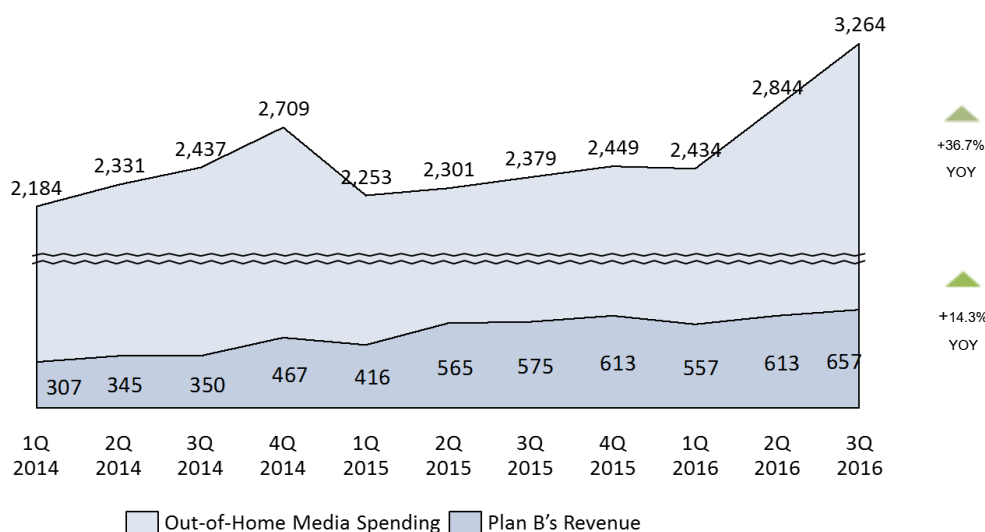
² Source: Kasikorn Research

³ Source: The Nielsen Company



Overall media spending for 3Q 2015 and 3Q 2016⁴ (THB million)

Advertising spending on out-of-home media grew at 36.7% in 3Q 2016 compared to the same period last year while overall advertising industry significantly dropped at a rate of -3.9%.



Spending on Out-of-home media and Plan B's revenue⁵ 1Q 2014 – 3Q 2016 (THB Million)

Total revenue of the Company in 3Q 2016 was THB 657.0 million which is equivalent to 14.3% growth from the same period last year. The revenue for 3Q 2016 outperformed our revenue during the peak season of media spending of 4Q 2015.

⁴ Source: The Nielsen Company

⁵ Source: The Nielsen Company and Plan B Media

3. Key Development for 3Q 2016

The Company continued to diversify its out-of-home media to enhance the variety of media offerings to increase its competitive advantage and sustain its long term growth. Key developments for 3Q 2016 are summarized below;

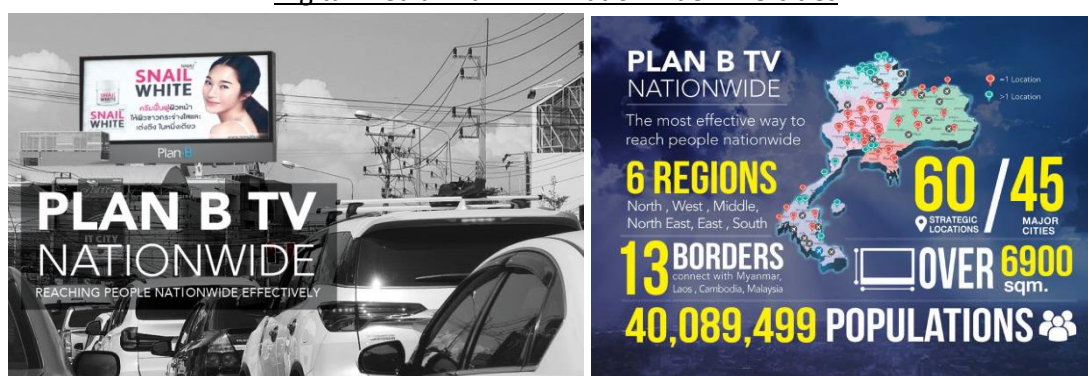
- The Company started managing various commercial rights of FAT and PLT in 3Q 2016. Although the main football tournaments for 2016 finished earlier, the Company managed to derive income for FAT and PLT in the amount of THB 16.8 million and obtained THB 2.5 million of management fees for this period. The business development activities for FAT and PLT in 2016 allow the Company to be ready for being the official agency during 2017 – 2020.

Sport Marketing : Official agency to manage commercial rights of FAT and PLT



- Introducing Plan B TV Nationwide to reach a national footprint in 60 locations, 45 cities. The market responded the new digital media network with high utilization rate over 75% within the first 2 months.

Digital Media: Plan B TV Nationwide in 45 cities



- Coverage expansion for in-mall media. The Company introduced in-mall media in Central World and Central Plaza Rama 3 with 10 LED screens in strategic locations to reach targeted audiences. These help extend the Company's coverage in all major shopping malls including The Mall group, Central group, Mega Bangna and Siam Center.

In-store media: LED screens in Central World



4. Performance Analysis for 3Q 2015

4.1 Service Revenue

The Company's service revenue for 3Q 2016 stood at THB 650.7 million, an increase of 7.2% from the previous period or 13.9% growth from the same period of last year. The increase was mainly due to digital media and in-mall media capacity expansion as well as management fee revenue from FAT and PLT. Revenue for 3Q 2016 by types of media is outlined below.

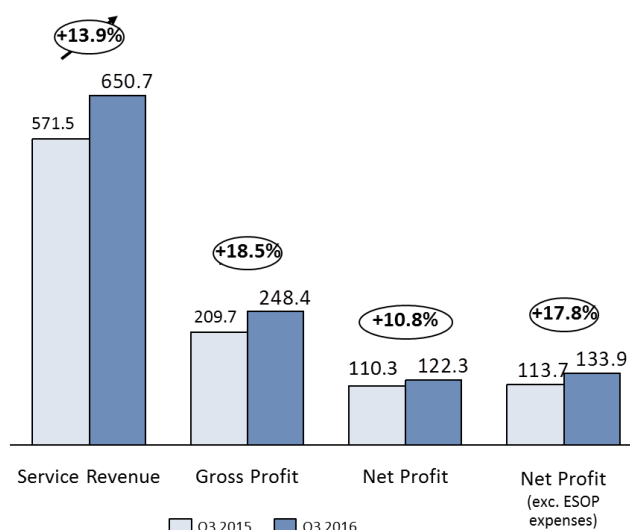
4.1.1 Revenue from transit media was THB 130.2 million, an increase of 6.5% from the same period of last year thanks to growing revenue and improving utilization rate of airport media, which has been acquired during the past one year.

4.1.2 Revenue from outdoor static media increased to THB 171.9 million equivalent to 5.4% growth on the same period in the previous year. Revenue from outdoor static media of Hello Bangkok contributed to this growth.

4.1.3 Revenue from digital media was THB 294.3 million or an increase of 8.9% from the same period last year due to expansion of digital billboard nationwide, Plan B TV Nationwide, with 60 LED screens in 45 cities introduced in 3Q 2016.

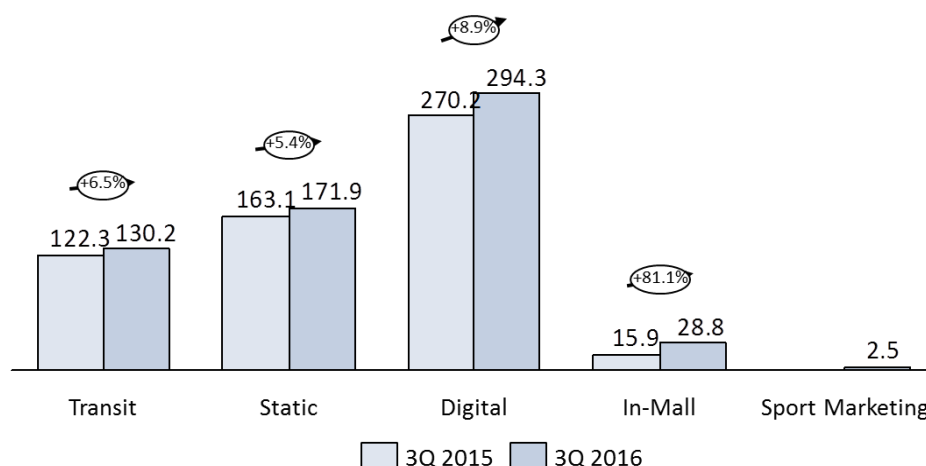
4.1.4 Revenue from in-mall media in 3Q 2016 soared to THB 28.8 million equivalent to a 81.1% increase from the same period of last year. The growth was mainly a result of revenue from in-store media in Big C stores that started operating during 2Q 2016.

4.1.5 Revenue from sport marketing - the Company managed to derive income for FAT and PLT in the amount of THB 16.8 million and earned management fees at the rate of 15% or THB 2.5 million for this period.



Revenue, Gross Profit and Net Profit for 3Q 2015 and 3Q 2016 (THB Million)

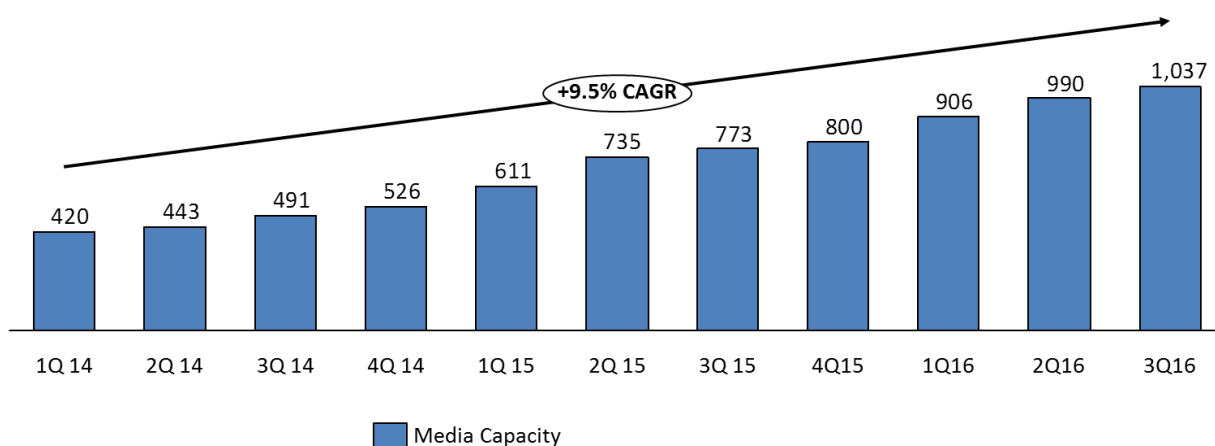
Net profit of the Company grew at a lower rate than revenues due to lower utilization rates which declined from 73.2% to 60.3% as a result of continuous media capacity expansion and its high operating leverage.



Revenue by Media for 3Q 2015 and 3Q 2016 (THB Million)

Revenue for all types of media grew from the same period last year especially in-mall media from the expansion of media in Big C store while revenue from digital media still continued to grow due to nationwide digital media network expansion.

Through our commitment to expand our current media network together with our continuous introduction and development of new forms of media to the market since 2014, our media capacity in 3Q 2016 surged to THB 1,037.1 million or up 34.2% from the same period last year. The Company continued to develop new media in order to shore up its competitiveness and support long term growth in demand for out-of-home media.



Quarterly Media Capacity for 1Q 2014 to 3Q 2016 (THB Million)

The Company constantly invests in the development of new media to enhance its revenue generating capability. Media capacity recorded a CAGR of 9.5% from 1Q 2014 to 3Q 2016.

4.2 Cost

Total costs of the Company for 3Q 2016 were THB 507.0 million, increasing 16.3% from the same period last year. The major factors were service cost increases from revenue sharing to Hello Bangkok and from an increase in depreciation in investments in the previous year. Expenses comprise the following:

4.2.1 Cost of service for 3Q 2016 rose 11.9% from the same period last year to THB 408.6 million mainly due to revenue sharing expense paid to Hello Bangkok (80% of revenue from Hello Bangkok's assets). The increase in cost of service was also driven by depreciation of investment in new media platforms. In addition, the increase in cost of service was a result of rising variable costs, such as rental cost, electricity cost and maintenance cost, relating to business expansion.

Compared to the 2Q 2016, cost of service for 3Q 2016 grew only 2.0%, which was much lower than sales growth of 7.2%. Consequently, gross profit margin for the period increased to 37.8% from 34.6% in the previous period.

4.2.2 Selling, general and administrative expenses amounted to THB 98.3 million in 3Q 2016, an increase of 14.4% from the previous period or 39.0% growth from the same period of last year. The key factor is SG&A expenses of new subsidiaries acquired during the previous year as well as ESOP and ESOP Warrant expenses in the total amount of THB 11.6 million. The SG&A cost to revenue ratio in 3Q 2016 stood at 15.0% which was higher than 14.0% in the previous period. However, the SG&A cost to revenue ratio should trend lower as a result of better economies of scale and cost savings from the synergy of acquisitions going forward.

4.3 Net Profit

In 3Q 2016 the Company earned a net profit of THB 122.3 million, a 10.6% growth from the previous period or a 10.8% increase from the same period last year. However, there were extra expenses from ESOP and ESOP Warrant in the total amount of THB 11.6 million. Without these extra expenses, net profit for 3Q 2016 was THB 133.9 million, a 17.8% increase from the same period last year.

Net profit margin was 18.6% in 3Q 2016 compared to 19.2% of the same period last year. The lower margin for the period was mainly contributed by weaker utilization rates. Moreover, continuous investment in new media development led to an increase in depreciation and rental expenses as parts of fixed costs; as a result, the ratio of fixed cost to total revenue was higher which reduced the net profit margin. Net profit margin excluding ESOP expenses for the period was 20.4%.

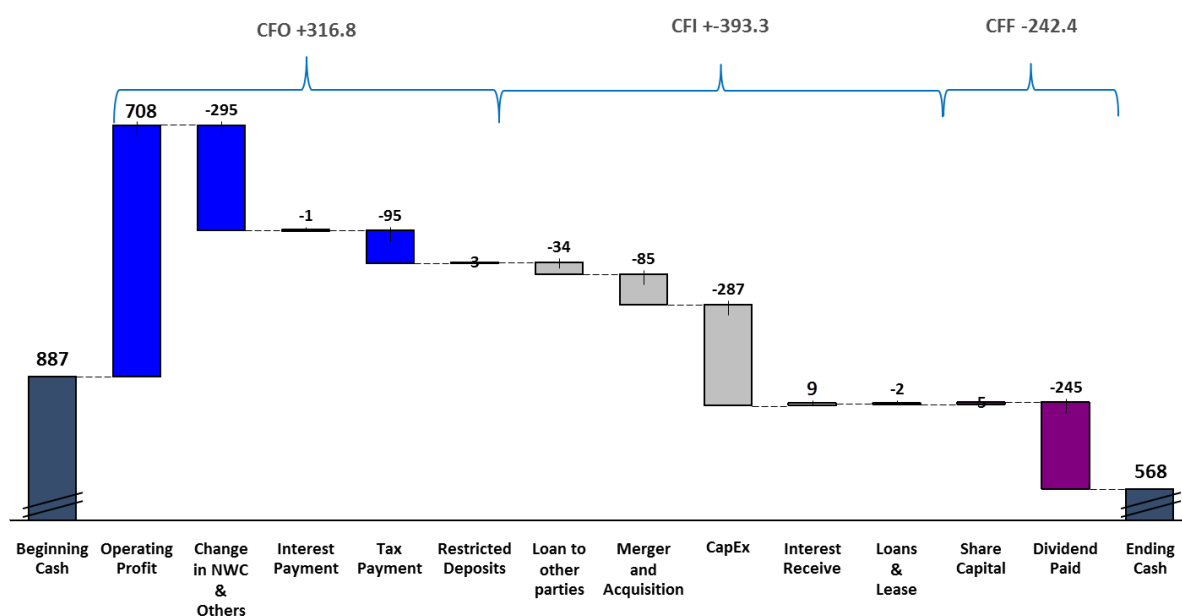
4.4 Financial Position

As of September 30, 2016, total assets of the Company were THB 3,690.5 million, an increase of 8.8% from year end 2015. The increase in total assets was mainly due to business expansion.

The Company's total liabilities were equal to THB 625.8 million, which increased by 51.7% from year end 2015 due to growth in accounts payable from business expansion.

The total shareholders' equity was THB 3,064.7 million which slightly increased by 2.8%. This was attributable to the increase in retained earnings appropriated from net profit for the period, net of dividend paid of THB 245 million.

4.5 Liquidity and Cash Flow



The Company had cash and cash equivalents including current investments at the end of 3Q 2016 in the amount of THB 568.2 million, decreasing by THB 318.9 million from the ending period of 2015. During the period, the Company recorded THB 316.8 million net cash provided by operating activities; THB 393.3 million net cash used in investing activities; THB 242.4 million net cash used in financing activities. The cash at the end of the period is sufficient to fund capital expenditure and projects.

5. Key Financial Ratio

Profitability Ratios		3Q 2015	3Q 2016
Gross Profit ⁶	(%)	36.5	37.8
EBITDA	(%)	40.5	41.2
EBIT	(%)	24.2	23.0
Net Profit	(%)	19.2	18.6
Return on equity ⁷	(%)	14.8	16.0

Liquidity Ratio		3Q 2015	3Q 2016
Current Ratio	(Times)	4.1	3.1
Quick Ratio ⁸	(Times)	2.7	2.1
Average collection period	(Days)	106	108
Payment days	(Days)	73	99

Efficiency Ratios		3Q 2015	3Q 2016
Return on assets ⁷	(%)	15.3	14.3
Asset turnover	(Times)	0.7	0.7

Leverage Ratio		3Q 2015	3Q 2016
Liability to Equity	(Times)	0.14	0.20

6. Management Outlook and Development for 2016 and 2017

The Thai economy in the first 9 months of 2016 reported positive signs of recovery driven by private consumption that was better than expected. Other positive driving factors include the Government stimulus package and improvements in the tourism industry. However, the overall advertising spending over the same period contracted 6.1% compared to the same period last year due to careful advertising spending by businesses focus on optimizing returns on their spend. In 2016, The Media Agency Association of Thailand (MAAT) has estimated the overall advertising spending will drop 10% from last year considering the impact from the 30 days mourning period. The Company has estimated the financial impact on the 4Q 2016 to be around one month worth of digital media revenue.

In 2017, MAAT has projected the advertising industry will grow at the rate of 3-5%. As a result, the Company is confident that its diversified networks of media platforms and its ability to respond to the marketing needs from the businesses will deliver growth. Moreover, the Company is

⁶ Calculated on Total Revenues

⁷ Annualized by using the respective quarter

⁸ (Cash and Cash Equivalents + Trade and other receivables) / Current Liabilities

strategically focused on developing effective media that shows a high return on investment and measurable results. The Company should be able to grow faster than the industry as evidenced in the past due to the following factors:

- The Company focuses on boosting its revenue and utilization rate from existing media that the Company started developing in 2016, which increased media capacity by 767.3 million baht. The Company plans to aggressively execute marketing strategies to create awareness of these new media as well as educate marketers on its effectiveness, value for money and solid performance measurement. Utilization rate of these new media is targeted to reach the level according to Company's standard within 6 months.
- Expansion of out-of-home media to reach nationwide coverage to respond to growth of major upcountry provinces across the country according to our media network expansion plan as follows;
 - o Airport Media -the Company already offers airport media in 34 airports operated by AOT and the Department of Airports. Furthermore, the Company aims to expand its presence in this channel to improve its coverage. Moreover, the Company plans to introduce innovative media in airports by offering digital media with touch screen LED and mobile charging stations in Don Meuang Airport in order to better serve needs of travellers and increase media value.

Airport Media: Touch screen LED with mobile charging station in Don Meuang Airport



- Developing the business as an agency to derive revenue from various media and event rights of FAT and PLT, starting from 2017 to 2020. The Company targets to derive the total revenue for FAT and PLT of THB 500 – 900 million per year.
- Expansion of media business in the ASEAN region. The Company has a plan to extend its out-of-home media by adopting the Thailand model and business plans which have proved to be successful in other countries in ASEAN. Another key strategy is to find the right business partners with experience and knowledge of respective markets to attain its goals of reaching regional footprints for its media platforms. High potential ASEAN countries such as Malaysia, Indonesia and the Philippines are the priorities for this regional expansion.