

PB – IR/18-00001

February 14, 2018

Subject: Submission of Financial Statements and the Management Discussion and Analysis of Plan B Media Public Company Limited ("the Company") for the Fiscal Year 2017 ended December 31, 2017 ("FY17")

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 Fiscal Year 2017 ended December 31, 2017 (a copy in Thai and English).
2. Management Discussion and Analysis (MD&A) for the Fiscal Year 2017 ended December 31, 2017 (a copy in Thai and English).
3. The Company's performance report, Form F45-3 for the Fiscal Year 2017 ended December 31, 2017 (a copy in Thai and English).

Please be informed accordingly.

Sincerely yours,

(Pinijorn Luechaikajohnpan, Ph.D.)
Authorized Director

Company Secretary

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1. Executive Summary

1.1 Key Financial Highlights for 2017

- Total Revenue was THB 3,006.6 million for 2017, an increase of 22.9% from the previous year.
- EBITDA was THB 1,014.1 million for 2017, an increase of 16.6% from the previous year.
- Net Profit was THB 460.5 million for 2017, an increase of 31.0% from the previous year.

Unit: Million THB	2015	2016	2017	Change (2016/2017)
Total Revenue	2,170.1	2,446.2	3,006.6	22.9%
EBITDA	893.9	869.9	1,014.1	16.6%
Net Profit	400.2	351.6	460.5	31.0%

1.2 Summary of Other Important Details

- The Company experienced strong revenue growth of 22.9% in 2017 to top THB 3,006.6 million notwithstanding that the overall advertising media industry experienced lower growth. The growth was derived from every media platform especially digital out-of-home media and airport media which recorded solid growth as a result of new media asset development in the previous year. Other media also enjoyed rising utilization rates thanks to the positive economic outlook with clear signs of recovery. In addition, the sports marketing business that the Company entered into in 2016 contributed to revenue growth.
 - The development of new advertising media by the Company and the continuous diversification of our media offering materially increased media capacity in 2017 to THB 4,345 million, growing significantly at 10.3% from last year.
 - The market continued to respond favorably to the media offerings of the Company. Despite the Company's development of new advertising media, utilization rates improved thanks to effective execution of its marketing strategies. The overall utilization rate for this year reached 68.5%.
- Growth in gross profit and net profit for 2017 outstripped total revenue growth. The gross profit margin stood at 15.3%, rising from 14.3% in 2016 given largely because the utilization rate increased to 68.5% from 57.6% in 2016. In addition, the increased revenue recognition from the sports marketing business during 2017 contributed positively to profitability.

- o The Company's outlook for 2018
 - o The Company will further strengthen its partnership with BMN who manages commercial rights of the MRT Blue Line. In the short term, the two companies aim to develop advertising media in the MRT leveraging on the experience and expertise of both parties to expand space for highly-effective media and enhance revenue generating capability. Moreover, MRT media can be bundled with Plan B's out-of-home media throughout Bangkok to boost utilization rate for both.
 - o In 2018, the Company forecasts that overall media industry growth will resume as economic growth of Thailand is expected to be around 3.8%¹. The Company is confident that its extensive and diverse media network will meet marketing demands from product and service owners and the Company will manage to grow faster than the industry.
 - o The media coverage in Bangkok and other provinces will be expanded to support urbanization in major cities in the upcountry according to media network expansion plans.
 - Digital media: The Company will expand its digital network by adding more than 100 digital displays in key strategic areas in Bangkok. Also, the Company plans to extend its national digital media footprint, Plan B TV Nationwide to reach 116 displays across Thailand by the end of 2018.
 - Airport media: Apart from providing Air Traveller media services in over 31 airports operated by the Airports of Thailand PLC ("AOT") and the Department of Airports, the Company has a plan to continue to extend its coverage further in the airports.
 - o The introduction of the ASEAN OOH Media Network Package is expected to further allow the key target group of large multinational corporations with consumer bases spreading across countries in ASEAN to better select an advertising media network that is more effective and faster in reaching consumers in the region under PlanB standards.
 - o The Company will continue to promote business development in agency services to derive additional revenues from the unutilized rights of the Football Association of Thailand (FAT) and Thai League Co., Ltd. (TL)

¹Source: Fiscal Policy Office

2. Economic and Media Industry Environment

The Thai economy grew in the second half of 2017 with GDP growth forecast of over 4.0%² which is expected to result in annual GDP growth in 2017 of 3.9%³, significantly higher than in 2015 and 2016 when growth was registered at 2.9% and 3.2% consecutively. The key economic driver was the export sector that expanded 8.6%⁴. Furthermore, the economy also benefited from more favorable global economic recovery in the past year while private consumption gradually grew at a rate of 3.1%⁵.

Even though the Thai economy was growing at a moderate rate, advertising spend was still sluggish. Compared to last year, advertising spend dropped by 6.0% to THB 6,477 million. Ad spend has experienced three consecutive years of decline. This is a result of a significant drop of 11.4% in traditional media including TV, radio and newspaper. In contrast, out-of-home media continued to grow at a rate of 12.9% in 2017 to reach THB 13,250 million in value. Consequently, market share of out-of-home media rose to 13% of the overall media industry with a total market value of over THB 101,446 million in 2017.

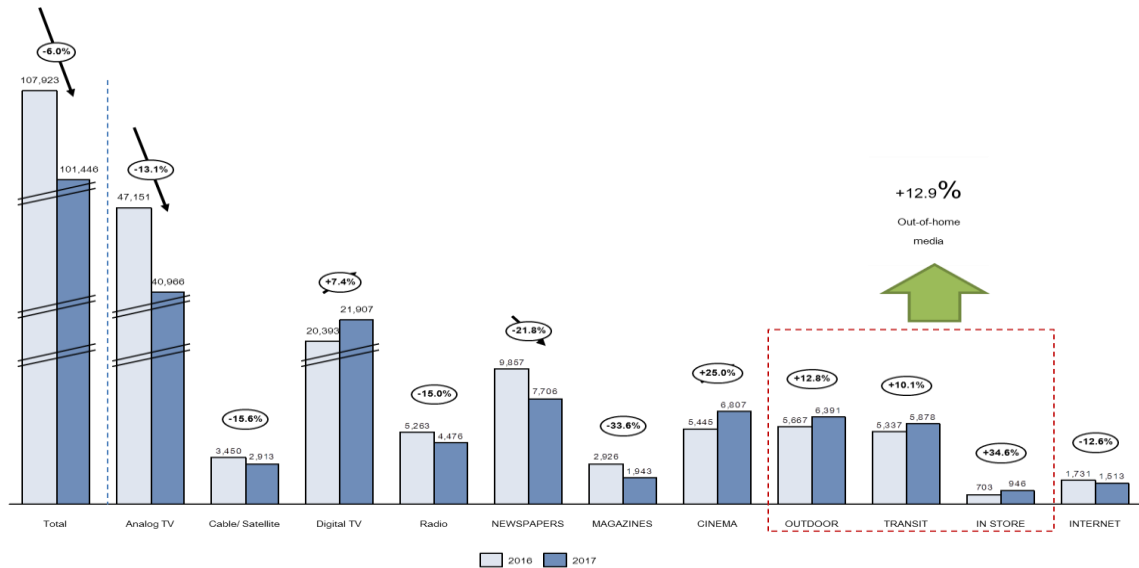
Despite the decline in overall media spending of over 6.0% from 2016, the Company achieved strong growth of 22.9% from the previous year to reach THB 3,006.6 million in revenue. New media development targeting changes in consumer behavior, with more time spent outdoors, contributed to this outperformance.

2 Source: Kasikorn Research Center

3 NESDB economic report

4 NESDB economic report

5 NESDB economic report



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Overall Media Spending for 2016 and 2017 (Million THB)

Spending for out-of-home media grew significantly at 12.9% on average in 2017 compared to the previous year while the overall advertising industry continued to contract at a rate of -6.0%.

3. Key Developments in 2017

The Company continues to grow its advertising media business in Thailand and across the ASEAN region to enhance its capabilities in several markets to capture increasing demand in the region. Key developments are summarized below.

January 2017 The inception of business development in agency services. The Company began to manage rights for the Football Association of Thailand (FAT) and Thai League Co., Ltd. (TL) as well as leveraging football content to earn additional revenue from tapping into consumers via other channels such as event management, TV media and online media.

January 2017 The diversification of out-of-home media offering in Don Muang airport. The Company launched Don Muang Digital Network as a full media service consisting of 102 digital displays, 20 touchscreens and 168 mobile charging stations. These innovations will help accommodate passengers whilst adding more value to the airport's media.

⁶ Source: The Nielsen Company (Thailand)

Samples of Airport Media : Touchscreen LCD displays with mobile charging stations in Don Muang Airport



April 2017

The addition to out-of-home digital media variety. The Company commenced the BKK20 Digital Network that includes 5 large digital displays and 15 medium-sized digital displays in the package. Marketers can choose the locations that fit their marketing plans through 4 packages offered.



Samples of out-of-Home digital billboards : BKK 20 Digital Network

August 2017

An investment in JKJ Media Service Co., Ltd. ("JKJ"). JKJ is an out-of-home media service provider and the owner of 46 large billboards across the Philippines. This investment will provide the foundation for Plan B's expansion of out-of-home media in the Philippines.

Samples of billboards owned by JKJ Media Service Co., Ltd.



September 2017 Established SRPB Media Co., Ltd. The objective is to extend the digital out-of-home media business in the Bangkok area and enlarge customer bases for those businesses with limited advertising budget. The development of digital media targeted at this advertiser segment is part of the Company's fighting brand strategy to enable the Company to maintain its market leadership position in digital out-of-home media over the long run.

Samples of out-of-Home digital billboards owned by Sky Region Media (Thailand) Co., Ltd.



September 2017 Expansion of Plan B TV Nationwide coverage. At the end of the third quarter of 2017, the Company offered a total of 90 digital displays in 52 provinces across Thailand that enabled the Company to grow its reach and enables advertisers to target more consumers using out-of-home media.

Samples of Digital Billboards: Plan B TV Nationwide in 52 provinces nationwide



December 2017 An increase in the investment in Sanctuary Billboards Sdn. Bhd. The Company increased its ownership in Sanctuary Billboards Sdn. Bhd from 30% to 40%.

Samples of Digital Billboards owned by Sanctuary Billboards Sdn. Bhd.



January 2018

An investment in Bangkok Metro Networks Limited (“BMN”). BMN is a service operator which was granted commercial rights for the MRT Blue Line under 30-year concession. The objective of this investment is to enable the Company to develop and manage advertising media and commercial spaces from concessions granted to BMN including extended MRT Blue Line and other MRT and expressway projects to be bid in the future.

Samples of Billboards operated by Bangkok Metro Networks.



4. Summary of Performance

4.1 Service Revenue

For 2017, the Company registered total service revenue of THB 2,980 million, a jump of 23.0% from 2016 thanks mainly to the continuous expansion in its media capacity especially digital out-of-home media and airport media. Additionally, the Company also started to realize the revenue generated from fees made through right management for the Football Association of Thailand and Thai League Co., Ltd. Revenue by type of media are outlined below.

4.1.1 Revenue from outdoor static media rose to THB 818.6 million, equal to 18.3% growth compared to last year. The revenue increase was derived from higher utilization rate.

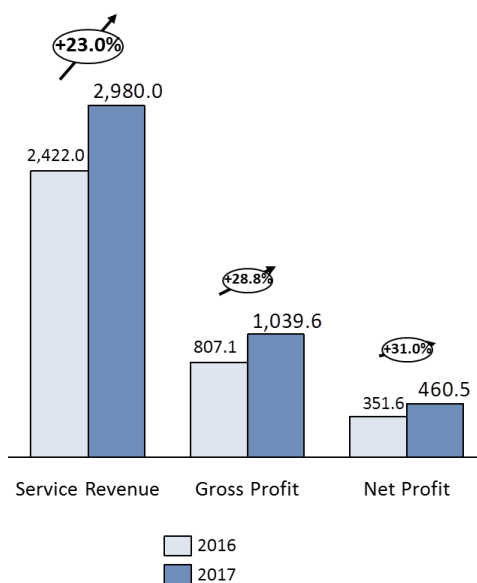
4.1.2 Revenue from digital media was THB 1,285.0 million increasing by 23.5% over last year. The growth was mainly driven by the expansion of Plan B TV Nationwide coverage to 52 provinces across Thailand as well as overall utilization rate improvement compared to the same period last year.

4.1.3 Revenue from transit media grew modestly at a rate of 5.4% from 2016 to THB 454.7 in 2017 as utilization rates adjusted upward from last year.

4.1.4 Revenue from in-mall media stood at THB 115.9 million, equal to a 19.6% increase from last year. The growth came from higher utilization rates.

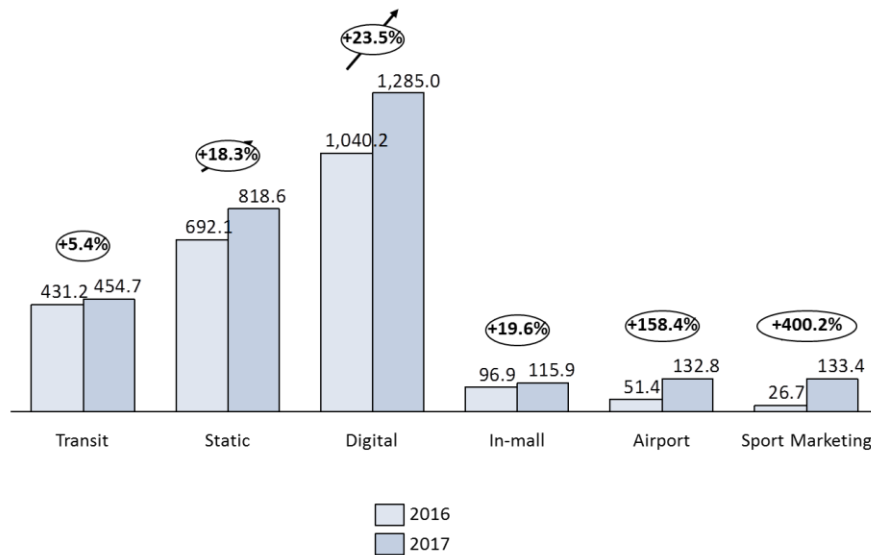
4.1.5 Revenue from airport media skyrocketed 158.4% from last year to top THB 132.8 million. This is a result of a rapid expansion in service areas in airports covering 31 airports nationwide as well as a diversification into various digital media in Don Muang Airport and other airports across the country.

4.1.6 Revenue from sports marketing in 2017 was recorded at THB 133.4 million or growing at a hefty rate of 400.2% from 2016 as it is the first year to recognize the revenue full year. The revenue was derived from management fees the Company received from managing rights for the Football Authority of Thailand and Thai League Co., Ltd.



Total Revenue, Gross Profit and Net Profit for 2016 and 2017 (Million THB)

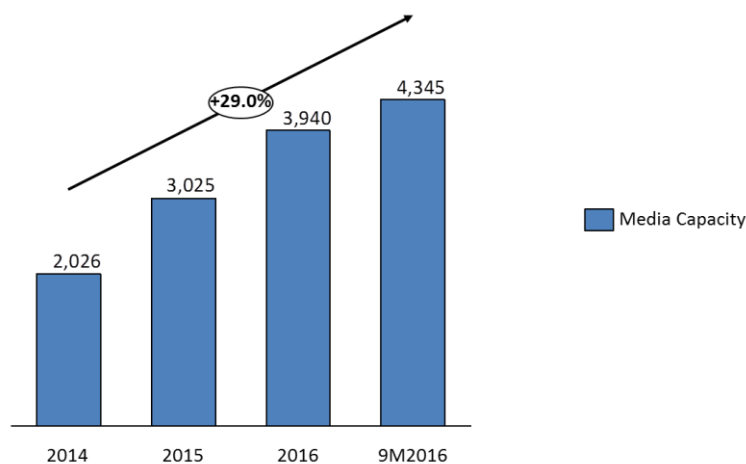
The Company's gross profit grew faster than the growth of total revenue due to the performance of the sports marketing business and the higher utilization rate, increasing from 57.6% last year to 68.5% in 2017. Economies of scale resulting from the business expansion also contributed to this higher profitability.



Revenue by Type of Media for 2016 and 2017 (Million THB)

Revenue from digital media and airport media enjoyed strong growth compared to the previous year as a result of aggressive media capacity expansion in 2016. Other types of media also recorded higher revenue thanks to rising utilization rates.

Through our commitment to expanding our media network together with the continuous introduction and development of new forms of media to the market since 2014, current media capacity of the Company in 2017 reached THB 4,345 million which was 10.3% higher than in 2016.



Media Capacity 2014-2017 (Million THB)

The Company constantly invests in the development of new media to enhance its future revenue generating capability. Media capacity recorded average of growth of 29.0% from 2014 to 2017.

4.2 Cost

Total costs of the Company in 2017 stood at 2,446.1 million, an increase of 20.9% from last year. Service costs edged up from the continuous expansion of service coverage in the past year. Details of expenses are listed below:

4.2.1 Service costs for 2017 rose 20.0% from last year to THB 1,967.1 million mainly due to the expansion of service footprints and media capacity in the past year. This drove variable costs upward in tandem with business expansion e.g. rent, electricity and maintenance etc. The rise in service costs is also impacted by the expenses incurred in the sports marketing business that commenced in 4Q2016.

4.2.2 Selling, general and administrative expenses for 2017 amounted to THB 479.1 million, a 24.9% increase over the past year. The key factors are SG&A expenses from subsidiaries acquired last year as well as expenses relating to employees which rose in line with the higher number of employees. SG&A cost to total revenue ratio for 2017 stood at 15.9%, or increased mildly from 15.7% of the same period last year. Nevertheless, this ratio is expected to decline in the future when economies of scale and cost reduction from overlapped administrative expenses materialize.

4.3 Profit

In 2017, the Company recorded a net profit of THB 460.5 million growing significantly 31.0% from the previous year. New media development and enhanced revenue-generating capacity contributed to this net profit growth. The net profit margin rose to 15.3% in 2017 compared to 14.4% in the previous year. The improved profitability is derived from higher utilization rates, which soared from 57.6% in 2016 to 68.5% in 2017, and the impact of the growth in the sports marketing business.

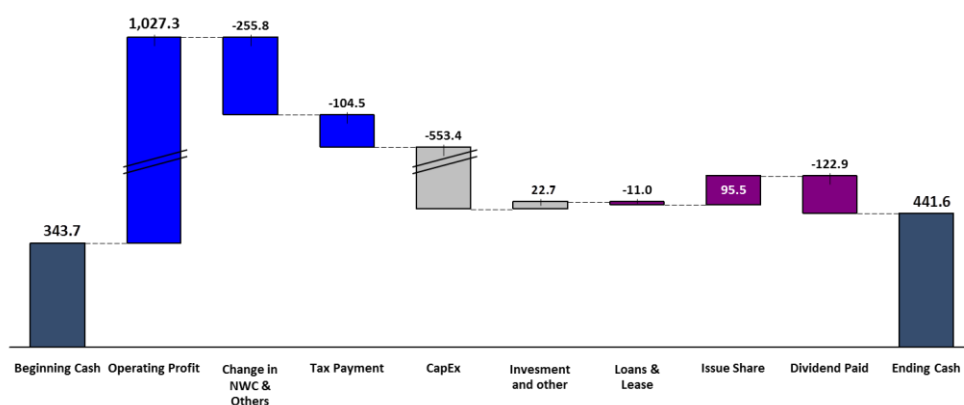
4.4 Financial Position

As of December 31, 2017, total assets of the Company were THB 4,200.3 million which increased by 14.4% from year end 2016. The increase in total assets was mainly due to business expansion.

The Company's total liabilities were equal to THB 562.0 million, which increased by 13.2% from year end 2016 due to growth in account payables from the increase in sales revenue.

The total shareholders' equity was THB 3,638.3 million which slightly increased by 14.6%. This was attributable to the increase in retained earnings appropriated from net profit for the period.

4.5 Liquidity and Cash Flow Position



The Company had cash and cash equivalents at the end of 2017 in the amount of THB 441.6 million, increasing by THB 97.9 million from the ending period of 2016. During the period, the Company recorded THB 667.0 million net cash provided by operating activities; 530.7 million net cash used in investing activities; and THB 38.4 million net cash used in financing activities. The cash at the ending period is sufficient to fund capital expenditure and projects.

5. Key Financial Ratio Position

Profitability Ratios		2016	2017
Gross Profit ⁷	(%)	33.0	34.6
EBITDA	(%)	35.5	33.7
EBIT	(%)	17.4	19.0
Net Profit	(%)	14.4	15.3
Return on equity ⁸	(%)	11.4	13.5

Liquidity Ratio		2016	2017
Current Ratio	(Times)	3.4	3.9
Quick Ratio ⁹	(Times)	2.4	2.5
Average collection period	(Days)	107	102
Payment days	(Days)	70	69

Efficiency Ratios		2016	2017
Return on assets ⁹	(%)	10.0	11.7
Asset turnover	(Times)	0.7	0.8

Leverage Ratio		2Q 2016	2Q 2017
Liability to Equity	(Times)	0.14	0.15

⁷ Calculated on Total Revenues⁸ Annualized by using the quarter no. x 4⁹ (Cash and Cash Equivalents + Trade and other receivables) / Current Liabilities

6. Trends and Developments in 2018

Moderate growth is expected for the Thai economy in 2018 as the economic outlook shows signs of expansion in the second half of 2017 given the booming export sector, extensive investment in mega projects by the government and flourishing tourism. With these positive drivers, Thai GDP for 2018 is estimated to grow by 3.8%.

Favorable economic conditions and expected growth will support higher purchasing power and household income and thus increased demand for advertising media from manufacturers and service providers as they seek to drive brand awareness and capitalize on higher economic growth to boost sales revenue. The Company forecasts that the overall advertising market in 2018 will directly benefit from the economic growth and will fully recover and resume its expansion after the Royal Cremation period during the fourth quarter of 2017. Hence, the Company has a strong belief that with its diversified media network that best addresses the marketing needs of customers, Plan B's growth is expected to surpass the industry average as happened in the recent past. The following factors are the key drivers to the growth.

- The Company will continue to expand its out-of-home media network in Bangkok as well as upcountry to support urbanization in major provinces according to its media network expansion plan below.
 - Digital media: the Company aims to extend its coverage of its digital media network in Bangkok which has been well-received by the market in the past few years. In 2018, the Company plans to extend its digital media footprint to key strategic locations in Bangkok with over 100 digital displays. Plus, the Company will further expand Plan B TV Nationwide media network coverage beyond its current 96 locations to over 116 locations across the country.
 - Airport media: apart from the Company's current Air Traveller media service offering in 31 airports operated by Airports of Thailand and Department of Airports, the Company expects to expand its advertising media space in airports to enhance its capability to reach target groups of over 148 million travelers, businessmen and tourists, either Thais or foreigners who have high purchasing power.
- The Company plans to promote strong collaboration with BMN who manages commercial rights for the MRT Blue Line. In the short term, the two companies will mutually develop advertising media along the MRT leveraging the experience and expertise of both parties to expand space for highly-effective media and enhance revenue generating capability. Moreover, MRT media can be bundled with Plan B's out-of-home media throughout Bangkok to boost utilization rates for both. In the future,

opportunities lie in joint business development efforts in managing commercial rights granted for projects under BMN; for example, the right to manage commercial space in MRT stations comprising: 1) Advertising media management; 2) Commercial space development; and 3) Information and communication system services. All these commercial rights will further add business values in the near future from route extension of MRT Blue Line from 19 trains to 54 trains to connect more stations from 18 stations to 38 stations with longer distance from 20 kilometers to 47 kilometers within 2020 according to MRT's plan. Additionally, there are business opportunities from various mega projects under development in a foreseeable future that will increase the number of passengers from 400,000 passengers per day to 1 million passengers per day. This joint investment will also allow both Plan B and BMN to commercially develop expressway projects including Sirat expressway and other expressways in the future where Bangkok Expressway and metro PCL., a parent company of BMN, is a concessionaire. This initiative will help the Company target groups of expressway users of over 2 million people a day. With significant growth potential for businesses related to MRT and expressway, the potential revenue for BMN is expected to be approximately THB 1,200-1,500 million per year.

- The Company has introduced the ASEAN OOH Media Network Package that allows it to target the key group of large multinational corporations with consumer bases spreading across countries in ASEAN. These advertisers are able to select an advertising media network that is more effective and faster in reaching consumers in the region under Plan B's standards. Moreover, with high-value regional package offerings, Plan B has a competitive edge over other players in other countries thanks to pricing proposition and other sales promotional campaigns. In addition, regional packages align better with regional budgets and help the Company compete with media service providers in each country.
- The Company has a goal to further develop its business as a rights management agency. The purpose is to derive revenue from unutilized rights of Football Association of Thailand (FAT) and Thai League Co., Ltd. especially in manufacturing and distributing merchandise with FAT copyrights. The Company can generate revenue from products and services that require FAT's logo to add value and boost sales.