



Imagine • Create • Excite

Chuo Senko Annual Report 2013



"Growing stronger with greater ideas"

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Financial Highlights

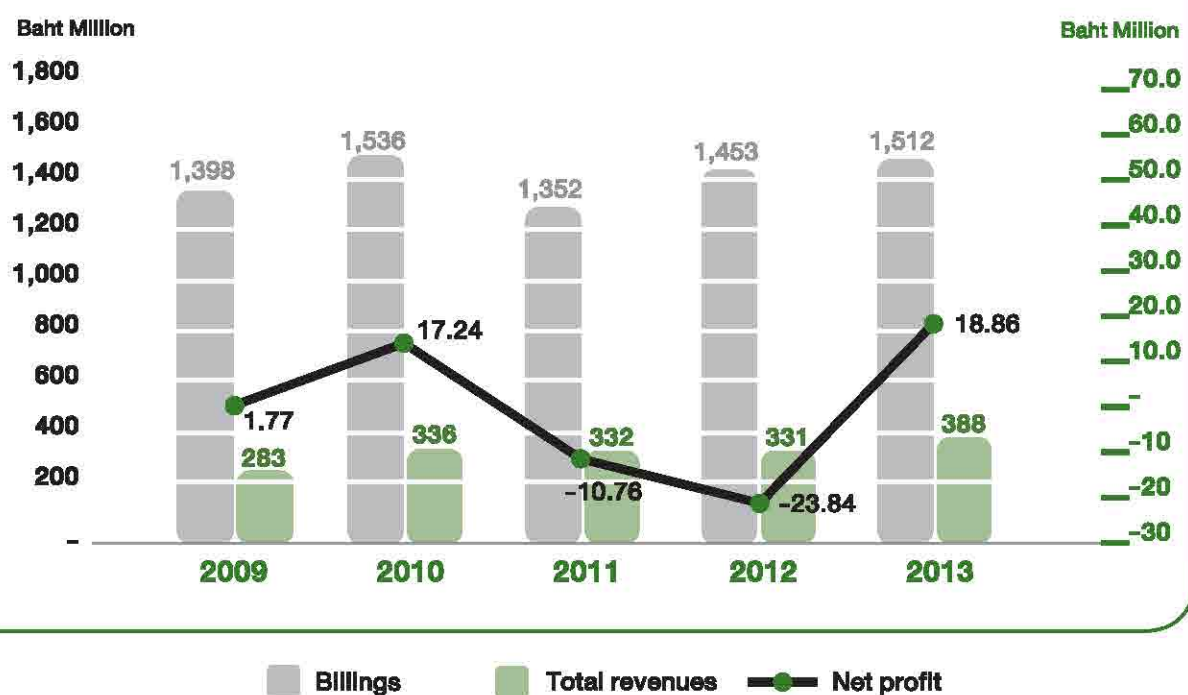
Chuo Senko (Thailand) Public Company Limited Financial Highlights

(Unit : Baht Million)

Operating Results	2013	2012	2011	2010	2009
Billings	1,511.84	1,452.78	1,351.81	1,535.99	1,397.97
Commission and services income	379.78	321.08	322.14	323.16	276.81
Other income	8.02	10.10	10.21	12.69	6.10
Total revenues	387.80	331.18	332.34	335.85	282.91
Net profit	18.86	-23.84	-10.76	17.24	1.77
Current assets	523.25	593.10	413.30	581.80	584.43
Total assets	690.72	804.92	547.54	615.29	613.17
Total liabilities	556.86	663.85	395.72	427.25	426.59
Total shareholders' equity	133.86	141.07	151.82	188.03	186.58

Financial Ratios	2013	2012	2011	2010	2009
Net profit margin	4.97%	-7.42%	-3.34%	5.34%	0.64%
Return on equity	14.09%	-16.90%	-7.09%	9.21%	0.93%
Return on assets	2.73%	-2.96%	-1.97%	2.81%	0.30%
Current ratio	1.04	0.94	1.11	1.38	1.39
Debt to equity ratio	4.16	4.71	2.61	2.27	2.29
Earnings per share (Baht)	1.68	-2.12	-0.96	1.53	0.16
Dividend per share (Baht)			0.30	0.80	0.30
Book value per share (Baht)	11.90	12.54	13.50	16.17	14.93
Par value (Baht)	5.00	5.00	5.00	5.00	5.00

Operating Results

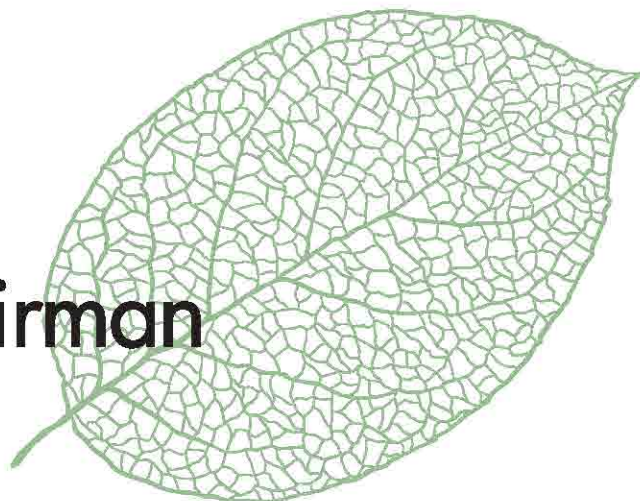




**Mr. Katsuyuki
Mizumachi**

Chairman and
Authorized Director

Message from Chairman



It is my great pleasure that 2013 was both our 50th anniversary in Thailand and a very successful year for the company. Our CEO and management team planned and executed business development, bringing in new business and additionally expanding the range of our offering with an enhanced global footprint in the region. We now operate in two new key markets (Myanmar and India) and have also invested in strengthening our existing operations.

To give a brief summary of some of our major developments throughout the year :

- Our joint venture in India, Chuo Senko Advertising India, with DDB Mudra Group started operations in Gurgaon from January 2013
- Our Myanmar office started operations to provide full marketing solutions to new and existing clients based in Yangon
- Our new digital marketing agency, Digital DNA, successfully started servicing to our group's new and existing clients from Bangkok
- We successfully continued the dealer development business of Motorcycle clients in Indonesia
- We established a new consulting company, Tangram Associates, as a joint venture between CST and Tokyo based Geo Brain Co. Ltd. to provide professional advisory service to our clients

With regards to the 2013 group financial performance, Thailand, Indonesia, Vietnam and Cambodia performed well generating a net profit. However, as the India and Myanmar offices were newly established, the required capital investment was greater than the actual revenue realized, as per our expectations. In 2014, we will strengthen our presence and performance in both countries and in order to develop them into profitable regional offices.

Going into 2014, we will continue to push forward and accelerate our digital profile, services and new products including dealer development capabilities across Asia. We plan to increase our exposure to the fast growing market in Myanmar and other developing countries as a "Glocal" (Global + Local) Agency.

I would like to end by thanking all our clients and all our people for their continued support on behalf of the Board, Management Team and CEO. We are confident that we are moving in the right direction as a leading global player in the region. It is my strong belief that we will continue to grow together with our clients, our people, and our shareholders going forward.

Thank you and we look forward to working together for the next 50 years.

Sincerely,

Mr.Katsuyuki Mizumachi
Chairman



General Information

Issuer

Name	: Chuo Senko (Thailand) Public Company Limited
Nature of Business	: Advertising Agency
Head Office	: 622 Emporium Tower, 18th Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Registration No.	: 0107544000116
Telephone	: (662) 664-9700
Facsimile	: (662) 664-9720-21
Home Page	: www.chuosenko.co.th
Paid-up Share Capital	: Baht 56.25 million of which 11,250,000 shares

Entities Whose Shares are held by Chuo Exceeding 10%

1. Chuo Senko Vietnam Design Services One Member Company Limited

Nature of Business	: Advertising Agency
Registered Office	: 19th floor, Fideco Tower, 81-83-85 Ham Nghi Street, Dist.1, Ho Chi Minh City, SR Vietnam
Telephone	: +84-8-3824-5231
Facsimile	: +84-8-3824-5230
Registered Capital	: Baht 22.14 million
Investment Portion	: 100%

2. Chuo Senko (Cambodia) Holding Co., Ltd.

Nature of Business	: Advertising Agency
Registered Office	: Building 35-37 1st floor Room B5, Street 214, Sangkat, Boeung Rieng, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia
Telephone	: +855-23-991481
Facsimile	: +855-23-991116
Registered Capital	: Baht 0.23 million
Investment Portion	: 100%

3. PT. Chuo Senko Consultant

Nature of Business	: Business Management Consulting Services
Registered Office	: Sentral Senayan II, 7th floor Jl. Asia Afrika No. 8, Jakarta 10270 Indonesia
Telephone	: +62-21-572-5845
Facsimile	: +62-21-572-5844
Registered Capital	: Baht 6.17 million
Investment Portion	: 99%

4. Chuo Senko Dynamics (ROH) Co., Ltd.

Nature of Business	: Business Planning and Support Group Companies
Registered Office	: 622 Emporium Tower, 18 Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Telephone	: (662) 664-9772
Facsimile	: (662) 664-9773
Registered Capital	: Baht 30.00 million
Investment Portion	: 82%

5. Wonder Asia Co., Ltd.

Nature of Business : Marketing and Event Services
Registered Office : 622 Emporium Tower, 18th Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Telephone : (662) 664-9880
Facsimile : (662) 664-9720
Registered Capital : Baht 1.00 million
Investment Portion : 100%

6. RDSS Co., Ltd.

Nature of Business : Shop Decoration and Development Services
Registered Office : 622 Emporium Tower, 18th Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Telephone : (662) 664-9770-1
Facsimile : (662) 664-9720
Registered Capital : Baht 3.00 million
Investment Portion : 100%

7. Digital DNA Co., Ltd.

Nature of Business : Digital Marketing Services.
Registered Office : 622 Emporium Tower, 18th Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Telephone : (662) 664-9200
Facsimile : (662) 664-9720
Registered Capital : Baht 1.00 million
Investment Portion : 100%

8. Chuo Senko (Myanmar) Pte. Ltd.

Nature of Business : Production and Advertising Services
Registered Office : 10 Anson Road, 17-21 International Plaza, Singapore 079903
Registered Capital : Baht 9.00 million
Investment Portion : 82%

9. Ad Asia Co., Ltd.

Nature of Business : Production and Advertising Services
Registered Office : 622 Emporium Tower, 8th Floor (10/1), Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Registered Capital : Baht 10.00 million
Investment Portion : 82%
Chuo Senko Dynamics (ROH) Co., Ltd. holds 100%

10. Chuo Senko Advertising India Private Limited

Nature of Business : Production and Advertising Services
Registered Office : Mudra House,OPP, Grand Hyatt, Santacruz (E), Mumbai 400055, Maharastra India
Telephone : +91-124-661-4400
Registered Capital : Baht 3.00 million
Investment Portion : 46%



11. Ad Asia Advertising (S) Pte. Ltd

Nature of Business : Production and Advertising Services
Registered Office : 10 Anson Road, 10-20 International Plaza, Singapore 079903
Registered Capital : Baht 9.00 million
Investment Portion : 82%
Chuo Senko Dynamics (ROH) Co., Ltd. holds 100%

12. Chuo Senko Myanmar Co., Ltd.

Nature of Business : Production and Advertising Services
Registered Office : (11181, 11041) No.659, Mya Kanthar (1st) Street, Ward No. (2), Kamayut Township, Yangon Region
Registered Capital : Baht 2.00 million
Investment Portion : 82%
Chuo Senko (Myanmar) Pte. Ltd. holds 100%

13. Ad Asia Co., Ltd.

Nature of Business : Production and Advertising Services
Registered Office : (11181, 11041) No.659, Mya Kanthar (1st) Street, Ward No. (2), Kamayut Township, Yangon Region
Registered Capital : Baht 2.00 million
Investment Portion : 82%
Ad Asia Advertising (S) Pte. Ltd. holds 100%

14. Town Page Co., Ltd.

Nature of Business : Production and Advertising Services
Registered Office : (11181, 11041) No.659, Mya Kanthar (1st) Street, Ward No. (2), Kamayut Township, Yangon Region
Registered Capital : Baht 2.00 million
Investment Portion : 82%
Chuo Senko (Myanmar) Pte. Ltd. holds 100%

15. Chilli Advertising Co., Ltd.

Nature of Business : Production and Advertising Services
Registered Office : (11181, 11041) No.659, Mya Kanthar (1st) Street, Ward No. (2), Kamayut Township, Yangon Region
Registered Capital : Baht 800,000
Investment Portion : 82%
Ad Asia Advertising (S) Pte. Ltd. holds 100%

16. Red Bull Co., Ltd.

Nature of Business : Production and Advertising Services
Registered Office : (11181, 11041) No.659, Mya Kanthar (1st) Street, Ward No. (2), Kamayut Township, Yangon Region
Registered Capital : Baht 800,000
Investment Portion : 82%
Ad Asia Advertising (S) Pte. Ltd. holds 100%

17. Tangram Associates Co., Ltd.

Nature of Business : Product & Business Development Consulting Services
Registered Office : 622 Emporium Tower, 18 Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Telephone : (662) 664-8711-2
Registered Capital : Baht 5.00 million
Investment Portion : 60%

Other Referees

Company Registrar

Name : Thailand Securities Depository Co., Ltd.
Registered Office : The Stock Exchange of Thailand Building, 62 Rachadapisek Rd., Klongton, Klongtoey, Bangkok 10110
Telephone : 0-2359-1200
Facsimile : 0-2359-1259

Auditors

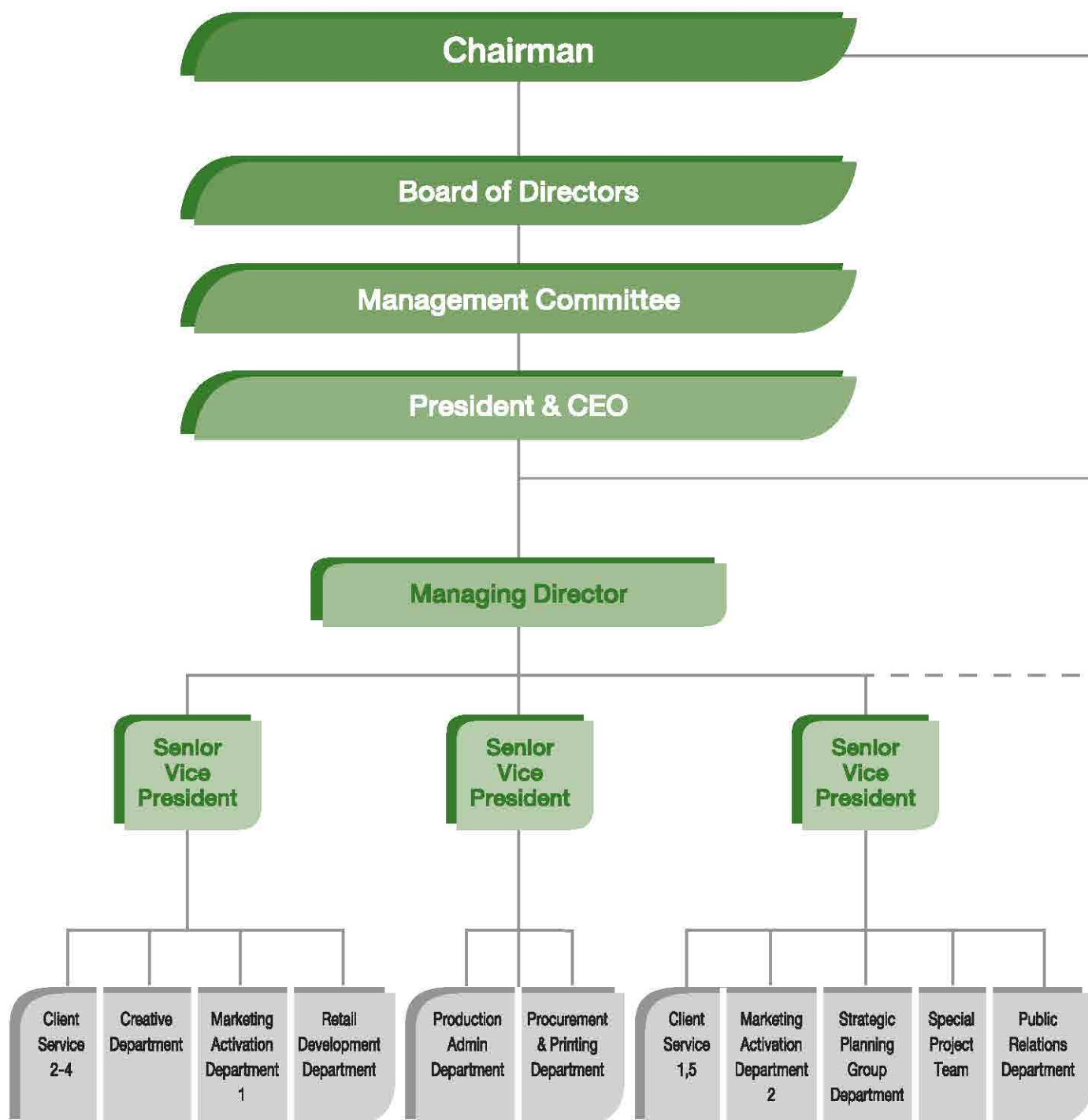
Auditor's Name : Mr. Chaiyuth Angsuwithaya
Certified Public Accountant No. 3885
Company's Name : A. M. T. & Associates
Registered Office : 491/27 Silom Plaza, Silom Road, Bangkok 10500
Telephone : 0-2234-1676, 0-2234-1678, 0-2237-2132
Facsimile : 0-2237-2133

Legal Consultant

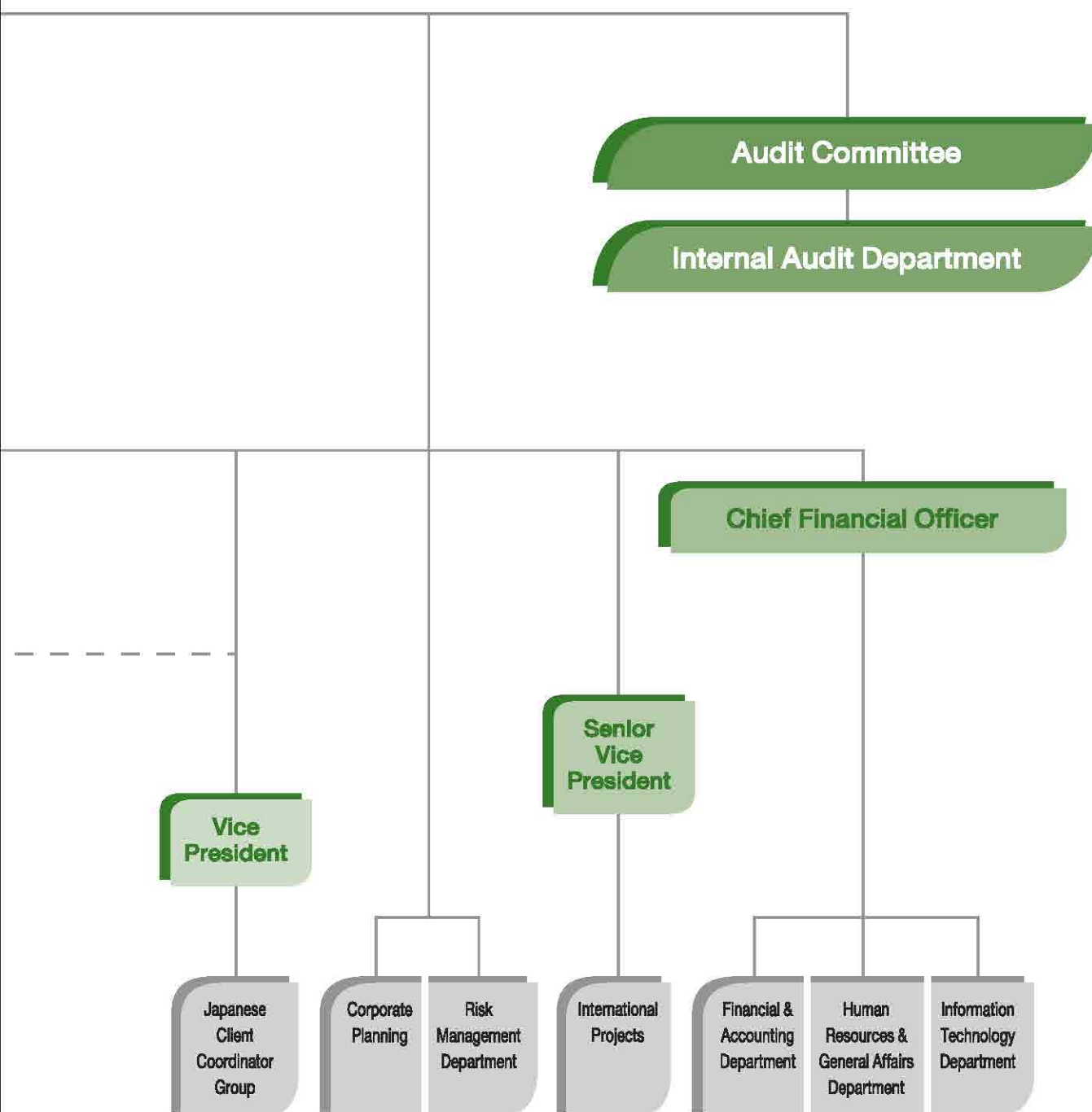
Company's Name : KPMG Phoomchai Legal & Tax Ltd.
Registered Office : 195 Empire Tower, 49th Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
Telephone : 0-2677-2000
Facsimile : 0-2677-2441-4



Organization Structure



As of 31 December, 2013



Board of Directors



Mr. Katsuyuki Mizumachi
Chairman



Mr. Shuji Okawa

Director and Chief Executive Officer



Mr. Kiichi Okuyama

Director and Chief Financial Officer



Mr. Vichien Linchongsabongkoch

Director



Mr. Wirash Kanchanapibul

Independent Director
and Chairman of the Audit Committee



Mr. Teetitorn Chullaprom

Independent Director
and Audit Committee Member



Mr. Gurdaib Singh

Independent Director
and Audit Committee Member



Management Team

The Board structure is comprised of 3 boards/committees, which are The Board of Directors, Audit Committee and Management Committee.

1. Board of Directors

The Board of directors is comprised of 7 members as follows:

Name	Position	Number of shares ^{*/1}
1. Mr. Katsuyuki Mizumachi	Chairman	8,200
2. Mr. Shuji Okawa	Director	None
3. Mr. Kiichi Okuyama	Director	None
4. Mr. Vichien Linchongsubongkoch	Director	600
5. Mr. Wirash Kanchanapibul ^{*/2}	Independent Director and Chairman of Audit Committee	None
6. Mr. Teetitom Chullapram	Independent Director and Audit Committee's Member	None
7. Mr. Gurdaib Singh s/o Pala Singh	Independent Director and Audit Committee's Member	None

^{*/1} Number of share holds as of 31th December, 2013

^{*/2} Mr. Wirash Kanchanapibul was appointed to be the Independent Director and Chairman of the Audit Committee since 26th April, 2013

Authorized Signatory

The Company's authorized signatories are Mr. Katsuyuki Mizumachi or Mr.Shuji Okawa or Mr.Kiichi Okuyama singly signed with the seal of the Company affixed.

Authority and Responsibilities of the Board of Directors:

1. The Board overall direction and strategies of the Company and ensure institution of the corporate governance policy for application across all companies. Under consolidated supervision framework that is the key policies and guidelines concerning the governance and operating structure of the Company, business strategy, management and operations, controls, human resources, finance and accounting, corporate affairs, and public communication. The Board shall ensure that the Company adopt and implements the policies and direction in corporate governance policy efficiently and effectively to benefit of the Shareholders.
2. Directors have the power to appoint one or several management directors to perform, within the scope of roles and responsibilities of board, any acts on its behalf. The board has the right to call off, rectify or from time to time revise the appointment.
3. Approve the Company' business plan and budget.
4. Directors must implement and direct the company's policies, as well as monitor and supervise its operations.
5. Ensure the institution of effective systems for the internal control and internal audit.
6. Appoint other committees and delegate authorities according to the needs and suitability to carry out specific tasks to ensure that operations are in compliance with our policy.
7. Appoint the Company secretary to take care of director's activities and administer critical corporate matters.
8. Ensure that there exists appropriate check and balance in the management and/or major shareholders of the Company, in particular, the proportion or the number of the independence directors on the Board.
9. Ensure that the Board receives/get the sufficient information to effectively discharge its authorities, duties, and responsibilities.
10. Report the business operation and financial statements to the shareholders.

The following responsibilities of the Board of Directors require approval from shareholders meeting as requirement by laws such as increase or decrease the Company's capital, issuance of debentures, sales or transfers of whole or important parts of the Company business to other person, purchase or acceptance or transfer of business belonging to other company, amendments to Company's Memorandum and Articles of Association, related parties transaction, as well as disposal and purchase of assets in accordance with SEC's regulation and/or regulations stipulated by the Company's regulators.

The Board of Directors may assign any other committees or an attorney to conduct the business on behalf of the Board of Directors. Such assignment of power shall not allow the committee member or the attorney to have authority to approve transactions that they or persons who may have a conflict of interest – as defined by the Securities and Exchange Commission – with stakeholders or may have any other conflict of interest with the Company and its subsidiaries.

Definitions of Independence Director

Independent director must be independence from the management, the major shareholder, executive, and the connected persons of the Company, including look after the interests of all shareholders equally with the following characteristics :

1. Holding not exceeding than 1% of the total number of voting shares of the Company, the Company's major shareholder, a subsidiary or an associate or in any juristic person with a conflict of interests.
2. Be neither a director that has a management authority, nor an employee, staff, advisor on retainer, authority figure of the Company, the Company's major shareholder, a subsidiary, an associate, or any juristic person with a conflict of interests, both in the present and at least two years prior to taking the position of independent director.
3. Independence Directors are not involved or relationship with the Company, the Company's major shareholder, a subsidiaries, an associate, or any juristic person with conflict of interests in a nature which may obstruct his independent judgment, both in the present and at least two year prior to taking the independence directors.
4. Is neither an auditor nor professional service provider for the Company?
5. Is not involved with management and major shareholders of the Company?
6. Is not a director that has management authority in the Group of Companies?
7. Not being a person related by blood or legal registration to management, major shareholders, authority figures or nominees for management and authority figures of the Company or its subsidiaries.
8. Is not appointed as a representative of the Company's directors, major shareholders, or shareholders who are related to the major shareholders of the Company.
9. No other impediments or impairment to express independent opinions concerning the operations of the Company.

Details of meeting attendance of the Company's directors in 2013 are as follows:

Name	Time of Attendance	
	Board of Director	Audit Committee
No. of total meetings (times)	7	4
1. Mr. Katsuyuki Mizumachi	6	-
2. Mr. Shuji Okawa	7	-
3. Mr. Kiichi Okuyama	7	-
4. Mr. Vichien Linchongsubongkoch	7	-
5. Mr. Wirash Kanchanapibul *	4	4
6. Mr. Teetitom Chuilapram	6	3
7. Mr. Gurdaib Singh s/o Pala Singh	6	3

*Mr. Wirash Kanchanapibul was appointed to be the Independent Director and Chairman of the Audit Committee Since 26th April, 2013

Company Secretary

The Board of Directors has appointed Mr.Kiichi Okuyama (Qualification and profile of the Company Secretary is shown in director and management) as the Company Secretary and assigns assistant company secretary to be responsible for preparing and maintaining director profile, notice and minutes of the Board meeting, annual report, notice and minutes of shareholders meeting and performing other duties.



2. Audit Committee

The Audit Committee is comprised of 3 members. Those members are considered Independent Directors and are not employees of the company.

Name	Position
1. Mr. Wirash Kanchanapibul	Chairman of Audit Committee
2. Mr. Teetitorn Chullapram	Audit Committee's Member
3. Mr. Gurdab Singh s/o Pala Singh	Audit Committee's Member (Audit Committee's Member qualified for review the reliability of financial statements)

The Audit Committee will have the term of service 2 years to ensure that the continuity of the performance of work. The Audit Committee members may be re-appointed for another term as the Board's of Director's Meeting may think fit, but their membership term should not be automatically renewed.

The Audit Committee appointed Mr. Thanasak Nillawat, Internal Audit Manager serve as the Audit Committee's secretary.

Authority and Responsibilities of the Audit Committee:

1. To review the Company's financial statements to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal auditing to ensure that they are suitable and efficient, to determine an internal audit department's independence, as well as to approve the appointment, transfer and dismissal of the chief of the internal audit department or any other unit in charge of the internal audit.
3. To review the Company's compliance with the related laws and regulations.
4. To consider, select and nominate an independent person to be the Company's external auditor, and to purpose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the related party transaction, or the transaction that may lead to conflict of interest, to ensure that they are compliance with the laws and SET's regulation, and are reasonable and for the highest benefit for the Company.
6. To prepare and to disclose in the Company's annual report, an audit committee's report which must be signed by the Chairman of Audit Committee. The significant information is consist at least the follows:
 - a) An opinion on the accuracy, completeness, and assurance of the financial statements.
 - b) An opinion on the adequacy of the Company's internal control.
 - c) An opinion on the Compliance with SET's law and regulation, and other related regulation.
 - d) An opinion on the suitability of the external auditor.
 - e) An opinion on the transactions that may lead to conflicts of interests.
 - f) The number of the audit committee meetings, and the attendance of such meeting by each committee member.
 - g) An opinion or overview comment for the performance which is in accordance with the Charter.
 - h) Other transaction which is according to the Audit Committee's opinion should be known to the shareholders and investor, subject to the scope of duties and responsibilities assigned by the Board of Directors.
7. To ensure the accuracy and completeness of the Company disclosure, especially the related party transaction or the transaction that may cause conflict of interest.
8. Report to the Board of Directors in order that remedial action is taken within the time that the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconduct which may affect the Company's financial position and performance significantly as follows ;
 - a) Transaction which causes conflict of interest.
 - b) Fraud or irregularity or material defect in the interest control.
 - c) Infringement of the applicable laws. If the Board of Directors or the management do not take remedial action within the time that the Audit Committee proposed, the Audit Committee shall disclose such infringement in annual report and report to the Bank of Thailand.
9. Conduct the businesses as assigned by the Board of Directors in agreement of the Audit Committee.

3. Management Committee

The Management Committee is comprised of 7 members as follows :

Name	Position
1. Mr. Katsuyuki Mizumachi	Chairman and Management Director
2. Mr. Shuji Okawa	Management Director
3. Mr. Kiichi Okuyama	Management Director
4. Mr. Ratchasub Nishida	Managing Director
5. Ms. Chanita Chulachata	Management Director
6. Mr. Songklod Akeunnop	Management Director
7. Ms. Jongkolnee Subruenruay	Management Director

Executive Members

The Executive Members was formed in accordance with the notification of the Capital Market Supervisory Board, and comprises of 8 members as follows:

Name	Position
1. Mr. Katsuyuki Mizumachi	Chairman
2. Mr. Shuji Okawa	President and CEO
3. Mr. Kiichi Okuyama	Chief Financial Officer
4. Mr. Ratchasub Nishida	Managing Director
5. Mr. Swasthorn Kuanswang	Senior Vice President
6. Ms. Chanita Chulachata	Senior Vice President
7. Mr. Songklod Akeunnop	Senior Vice President
8. Ms. Jongkolnee Subruenruay	Senior Vice President

Authority and Responsibilities of the Management Committee, and Executive Members

1. In conducting the business of the Company, the Management Committee and Executive Members shall comply with the objectives, and the articles of association of the Company. In the instance, that the directors and/or management team may have a direct interest in, or a conflict of interest with the Company and its subsidiaries, this business cannot be executed without a resolution from the Board of Directors meeting, in which independent directors have attend the meeting.
2. In setting up and direction for managing and expanding the business, the Management Committee and the Executive Members shall comply with the policies set forth by the board, except those regulated by laws in which a resolution from the shareholders' meeting is required.
3. Examine, set up and improve regulations and internal workflow or procedures of the Company.
4. Examine information and/or facts in conducting business, before proposing them the Board of Directors.
5. Develop salary structure, and other fringe benefit structures.
6. Have to the authority to approve investments within established limits.
7. Have the authority to approve operating expenses within established limits.
8. May perform any other acts as assigned by the Board.

To ease the performance of the business, the Board of Directors appoints the Management Committee and the Executive Members in order to conduct the business, to authorize the following. The Budget of service cost, operation expenses, Credit line for each client, financial institution credits and investment. The authorization level is organized starting from Head of Department, Vice President, Senior Vice President, Managing Director and President. Each level has the authority to approve under the limit of each criterion. Any requirements above established limits must receive approval from the Management Committee and the Board of Directors.



Information of Directors & Managements

1. Board Of Directors

No.	Name - Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
1.	Mr. Katsuyuki Mizumachi		See additional detail in Management detail table				Chairman and Authorized Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
2.	Mr. Shuji Okawa		See additional detail in Management detail table				Authorized Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
3.	Mr. Kiichi Okuyama		See additional detail in Management detail table				Authorized Director and Company Secretary	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
4.	Mr. Vichien Linchongsubongkoch	59	Bachelor Degree Communication Arts Chulalongkorn University	0.01	None	2011-Present	Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2008-2009	Advisor	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2005-2008	President & Chief Executive Officer	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2002-2005	Senior Executive Vice President & COO	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1996-2002	Managing Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1978-1996	Client Service Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service

No.	Name - Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
5.	Mr. Virash Kanchanapibul	62	Bachelor Degree Engineering Chulalongkorn University	0.00	None	2013- Present	Independent Director and Chairman of Audit Committee	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						Present	Nominating Committee of Deputy Governor (Administration)	Electricity Generating Authority of Thailand (EGAT)
						Present	Advisor	Institute of Electrical and Electronics Engineers (IEEE Thailand Section)
						2009-2012	Deputy Governor of Administration	Electricity Generating Authority of Thailand (EGAT)
						2008-2009	Deputy Governor	Social Affairs and Environment, EGAT
6.	Mr. Teetitorn Chullapram	55	Bachelor Degree Engineering Chulalongkorn University Certificate Director Certification Program and Audit Committee Program from Thai Institute of Directors	0.00	None	2011- Present	Independent Director and Audit Committee's Member	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2007- Present	Council Member	Thai-Nichi Institute of Technology / Education
						2005- Present	Executive Director & Vice President	Technology Promotion Association (Thailand-Japan)
7.	Mr. Gurdaib Singh s/o Pala Singh	60	Master Degree Business Administration of Strategic Management University of East London U.K. Bachelor Degree Business of Economic & Finance Middlesex Polytechnic U.K. Diploma In Law City University, London U.K. Barrister-at-law Lincoln's Inn, London U.K.	0.00	None	2011- Present	Independent Director and Audit Committee's Member	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2006- Present	Independent Director	Pollux Properties Co., Ltd. / Property
						1981- Present	Director	Advocate & Solicitor of the Supreme Court (Singapore) / Law Firm



2. Management Committee

No.	Name - Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
1.	Mr. Katsuyuki Mizumachi		See additional detail in Management detail table				Chairman and Management Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
2.	Mr. Shuji Okawa		See additional detail in Management detail table				Management Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
3.	Mr. Kiiichi Okuyama		See additional detail in Management detail table				Management Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
4.	Mr. Ratchasub Nishida		See additional detail in Management detail table				Managing Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
5.	Ms. Chanita Chulachata		See additional detail in Management detail table				Management Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
6.	Mr. Songklod Akeunnop		See additional detail in Management detail table				Management Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
7.	Ms. Jongkolnee Subruenruay		See additional detail in Management detail table				Management Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service

3. Management Members

No.	Name - Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
1.	Mr. Katsuyuki Mizumachi	65	Bachelor Degree Law Keio University Japan Certificate Thai Institute of Directors	0.08	None	2011-Present	Chairman	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2010 - Present	President and Chief Executive Officer	Asia Business Support Association Co., Ltd. / Consulting Service
						2007-2010	Executive Advisor	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1997-2007	Senior Executive Vice President & CFO	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
2.	Mr. Shuji Okawa	60	Bachelor Degree Economics Keio University Japan	0.00	None	2012-Present	President and CEO	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2010-2012	President and CEO	Hakuhodo Cheil Inc. (Korea) / Advertising Service
						1999-2010	Managing Director	Group Nexus / H Ltd. (UK) / Advertising Service
						1997-1999	Managing Director	Hakuhodo UK Ltd. (UK) / Advertising Service
						1990-1997	Account Director	Hakuhodo Inc. (Japan) / Advertising Service
						1985-1990	Vice President	Hakuhodo Advertising America Inc. (USA) / Advertising Service



No.	Name - Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
3.	Mr. Kiichi Okuyama	58	Bachelor Degree Economics Kwansei Gakuin University Japan	0.00	None	2011- Present	Chief Financial Officer	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2010- Present	Director of Japan Affairs	Asia Business Support Association Co., Ltd. / Consulting Service
						2008-2010	Director	Pollars Laboratory Co., Ltd. / Bio-Energy Service
						2004-2007	Managing Director	Onward International Co., Ltd. / Trading Service
						2001-2004	General Manager	Nippon Outsourcing Co., Ltd. (Japan) / Outsourcing Service
						1998-2001	Senior Risk Analyst	GE Capital Leasing Co., Ltd. (Japan) / Leasing
						1979-1998	Leasing Business	Japan Leasing Corporation Co., Ltd. (Japan) / Leasing
4.	Mr. Ratchasub Nishida	44	Master Degree Political Science (International Relations) Ramkhamhang University Bachelor Degree Engineering, Science University of Tokyo, Japan Political Science (Public Administration) Ramkhamhang University	0.00	None	2013- Present	Managing Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2011-2013	Member of Sub Committee on "Right of Way"	National Broadcasting and Telecommunication Commission
						2009-2010	Senior Vice President (Business Development and Marketing)	Ascon Counstruction Pcl.
						2005-2006	Deputy Managing Director, E-Business	Gmm Grammy Pcl
						2004-2005	Senior Vice President	Gmm Digital Domain Co., Ltd.

No.	Name – Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
5.	Mr. Swasthorn Kuanswang	49	Master Degree MBA Southeastern University Washington, DC. USA Bachelor Degree BSBA American University Washington, DC. USA	0.00	None	2010-Present	Senior Vice President	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2004-2010	Country Director	Chuo Senko (Cambodia) Holding Co., Ltd / Advertising Service
						2002-2004	Director	Euro RSCG Flagship Co., Ltd. / Advertising Service
						2001-2002	Director	Raku Entertainment / Entertainment Service
						1994-2001	Account Director	Bates (Thailand) Co., Ltd / Advertising Service
6.	Ms. Chanita Chulachata	49	Bachelor Degree Humanity Chiang Mai University	0.00	None	2012-Present	Senior Vice President	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2009-2012	Vice President	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2008-2009	Group Client Service Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1993-2008	Client Service Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1992-1993	Assistant Manager	J-PHO Co., Ltd. / Studio
						1991-1992	Account Executive	Thai Image Advertising Co., Ltd. / Advertising Service
						1987-1991	Advertising and Promotion Officer	Viceroy Inter Co., Ltd. / Cosmetic



No.	Name - Surname	Age	Educational Background	Portion of Security Holding (%)	Relationship with Director	Work experience		
						Period	Position	Department / Name of Company / Type of Business
7.	Mr. Songklod Akeunnop	43	Bachelor Degree Journalism Thammasat University	0.00	None	2012-Present	Senior Vice President	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2010-2012	Vice President	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2009-2010	Group Client Service Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1995-2009	Client Service Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						1993-1995	Account Executive	Meitsu Co., Ltd. / Advertising Service
						1990-1993	Account Executive	Prosper Ad Co., Ltd. / Advertising Service
8.	Ms. Jongkolhee Subruenruay	50	Master Degree Communication Arts Dhurakij Pundit University Bachelor Degree Journalism Thammasat University	0.00	None	2012-Present	Senior Vice President	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service
						2008-2012	Managing Director	M1 Network Co., Ltd. / Consulting and marketing communication
						2005-2008	Managing Director	Be 1 Communications Co., Ltd. / Advertising Service
						1990-2005	Director	Chuo Senko (Thailand) Public Co., Ltd. / Advertising Service

Policy Role Responsibility

Appointment of Directors and Management

Appointment of the Directors

The Company does not have a nominating committee to consider the election of directors at present. However, the Board of Directors has discussed and considered the nomination of directors by taking into consideration the qualification of nominees, who shall be of knowledgeable with expertise from various occupations and having performed well their duties as Directors. In selecting a new director, an approval from a directors' meeting, that the independent directors have attended, must be granted.

In appointing the directors of the company, a resolution from the shareholder's meeting is required. The numbers of directors will be specified in the shareholder's meeting. In voting for the directors, each shareholder shall have a number of votes equal to the number of shares held. After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to exceeded, the chairperson shall have deciding vote.

One third of the directors shall vacate the office every year. However, retired directors may be re-elected.

Appointment of the Management

The existing management of the company is the nominating committee with the role to select qualified person to be the management of the company. The committee shall select the Persons according to their knowledge, capabilities and related experience of the business. In selecting new management, the majority votes from a director's meeting must be granted.

Director's Remuneration

Director's Remuneration for the year 2013 is consisted of:

Cash Remuneration

In 2013, the company did not pay the remuneration to directors who are the management team. However, the company has a policy of allocating Baht 1,480,000 as a meeting allowance and retainer fee for independent directors. Details are as followings:

Unit (Baht)

Name	Position	Remuneration during year 2012		Total Remuneration
		Meeting Allowance	Retainer Fee	
Mr. Katsuyuki Mizumachi	Authorized Director	none	none	none
Mr. Shuji Okawa	Authorized Director	none	none	none
Mr. Kiiichi Okuyama	Authorized Director	none	none	none
Mr. Vichien Linchongsongkotch	Director	none	none	none
Mr. Wirash Kanchanapibul*	Independent Director and Chairman of the Audit Committee	80,000	400,000	480,000
Mr. Teetitorn Chullapram	Independent Director and Audit Committee's Member	120,000	350,000	470,000
Mr. Gurdaib Singh s/o Pala Singh	Independent Director and Audit Committee's Member	120,000	350,000	470,000

*Mr. Wirash Kanchanapibul was appointed to Independent Director and Chairman of the Audit Committee since 26th April, 2013.

Remuneration of Management Directors, and Management Team

In 2013, the Company paid salaries, bonus, meeting allowances and related benefits to their directors and management totaling Baht 62 million (Separate financial statements: Baht 49 million) (2012: Baht 41 million, separate financial statements: Baht 35 million).

Other Remuneration

- None -



The Principles of Good Corporate Governance

The Policy of Internal Audit and Business Monitoring is under the supervision of the Audit Committee, is well aware of the importance of good corporate governance and set of corporate governance policies to ensure sustainable growth with honesty, professionalism, transparency and the equal treatment of shareholders and stakeholders, in order to fulfill according to the law and purposes of the Shareholders and Board of Directors resolution as is regulated at the Stock Exchange of Thailand as follows:

1. Rights of Shareholders

Shareholders all entitled to all basic rights at acceptable and trusted standards: the rights of investors in the stock exchange and the rights of owners of the company such as the rights to buy new shares, sell or transfer their own shares, the rights to receive dividends from the company, the rights to attend shareholders' meeting, the rights to propose the advance meeting's agenda and propose the nominated director, the rights to express opinions freely. Shareholders have the rights to vote at meeting according to the number of shares owned by each shareholder, whereby one share is for one vote and no particular shares allow them privilege to limit the rights of other shareholders.

1.1 The Company has disclosed all important and relevant information on the Company's website: www.chuosenko.co.th and SET's channel in order that shareholders are able to obtain clarify information and current situation of the Company.

1.2 The Board of Directors has a resolution of "The Principle for minority shareholders to propose AGM agenda items and nomination of candidates in advance" The company allows shareholders to propose any matters, as deemed appropriate, to be considered to include in the agenda for the Annual General Shareholders Meeting ("AGM") and name of qualified director candidate prior to the meeting. In this regard, it is considered as a part of the company's good corporate governance with the purpose of equitable and fair treatment of all shareholders. In addition to let the procedures and consideration be obvious and transparently, and to ensure that the agendas selected are truly beneficial to the company, the Board will consider the proposal unless the board says otherwise. Moreover, the proposal approved by the Board will be included in the agenda of the AGM notice. The comment of the Board required in the notice will be stated as the agenda items proposed by shareholders. In the 2012 Shareholders' Annual General Meeting, the company invites shareholders to propose in advance agenda starting from October 2, 2013 until December 31, 2013, complied with its principal set by the Company. However, there is no any agenda proposed by shareholders.

1.3 The Company prepares Notice of the shareholder meeting in both Thai and English and notifies the meetings details to investors prior to the meeting date through the Stock Exchange of Thailand dissemination channel and its website to allow shareholders adequate time to study meeting materials. Such notice and materials shall be sent to the shareholders not less than 7 days before the date set for the meeting in accordance with the law. The information presented on the website shall be the same as that presented in the meeting material sent to the shareholders; which include (1) Notice of the meeting (2) Procedure for meeting registration (3) Profile of the Independent directors, director nominated to serve as proxies for shareholders (4) the Company's Articles of Association in the category of shareholders' meeting (5) Agenda of the meeting (6) Annual Report (7) Proxy Forms (8) Registration and Voting Form (9) Meeting location map. In addition, the Company shall publish Notice of the shareholder meeting in a Thai daily newspaper for 3 consecutive days and not less than 3 days before the date set for the meeting. All agenda items shall indicate clearly whether it is a matter being proposed for acknowledgement, for approval, on for consideration, as the case may be, and include the opinions of the Board of Directors in said matter.

1.4 To protect shareholders' rights to attend the meeting and ensure equitable treatment for shareholders, the Company assigned officers to check shareholders' or proxies' document according to the requirements stated in the notice. Moreover, the Company allowed enough time for any shareholder to register to attend the meeting in advance of the meeting time. The Company utilized a computer and barcode system for registration and printing of voting forms for each agenda item to facilitate shareholder participation, and to ensure prompt and accurate registration, and for vote counting procedure. In addition, shareholders are also able to register to attend and exercise their voting rights on the agenda that they have not cast the vote in advance after the meeting's commencement. For shareholders unable to attend the meeting and would like to appoint a proxy, the Company proposes more than one independent directors by presenting director profile for the shareholders' selection, in addition to management, director or any shareholders to specify their voting decision, with the notice. Moreover, shareholders could cast their vote in advance on the voting form which had been sent out together with notice of shareholders' meeting.

1.5 Before the meeting date, the Company invites shareholders to submit questions regarding the Company and meeting agenda that require clarification by the Board of Directors and the management at the meeting. The question may be submitted in advance via fax or email to related unit. In the meeting, the Chairman shall allocate appropriate time and encourage equal opportunity for shareholders to express their opinions and raise their queries at the meeting as per the agenda, the Company endeavor to arrange for all directors, executives of the Company and subsidiaries, as well as the auditors to attend the shareholders' meeting to answer the queries. The Company's directors and management will clearly explain and clarify such matters.

2. Equitable Treatment of Shareholders

2.1 The Company treats all shareholders, including those with management positions, non-executive shareholders and foreign shareholders in equitable and ethical treatments with abides by all guidelines and legal regulation.

2.2 The Company encourages the use of proxy forms on which shareholders are able to specify their votes, provide an option to shareholders whereby they may appoint an independent director as their proxy and utilize a process in which shareholders are able to vote on individual nominees. Details of activities facilitating shareholders in attending the AGM is disclosed as the article 1 in the shareholders rights section.

2.3 The Company has in place policies against the Company's Board of directors, the management and staff using insider information for personal gains or benefits and abusing self-dealing for example insider trading, using the company's internal information.

2.4 The Company shall give notification of the shareholders' meeting resolutions to all investors through the SET's information dissemination channel within on the meeting date or at least one hour before the opening of the Stock Exchange of Thailand on the next working day. In addition, the Company shall also prepare the minutes of the meeting in which all relevant information, including all clarifications, queries, opinions, and resolutions are recorded and categorized into "For", "Against", and "Abstain" votes. The Company shall disseminate the above minutes on its website and submit it to the Stock Exchange of Thailand within 14 days from the meeting date. The minutes of the meeting will be kept at the office.

3. Role of Stakeholders

The company puts emphasis on the rights of all its stakeholders whether external and internal and conducts its business with responsibility and fairness to all stakeholders. The stakeholders shall also be treated fairly in accordance with their rights as specified in the Company's business ethics as summarized as follow:

Counter Party	Role of Stakeholders
Shareholder	The Company is focused in operating its business with the utmost honesty, integrity and ethics along with the utmost transparency to ensure sustainable growth for the company, and ultimately increasing the shareholders' long-term values and wealth. Moreover, the Company assigned the assistant company secretary to responsible get the feedback from shareholders and investors community.
Client	The Company operates with honesty and fairness, provides accurate information to customers provides quality services and keep clients' confidential information.
Supplier and Creditors	The Company has conducted all business in a fair manner according to all contract conditions agreed with suppliers. In addition, the company honors all its obligations to creditors
Competitor	The Company acts according to gentleman's practice and avoids any dishonesty in acquiring business.
Employee	Employees are the key value resources to the company's success. The company's policies include equitable treatment of all staffs; provide comparable compensation and ongoing personal developments. Human Resources Department had been assigned to receive suggestions, complaints or any concerns from employees.



The company provides a channel for such person to give their opinions and directly contact to board of directors and audit committee through e-mail address auditcom@chuosenko.co.th, respectively or send a letter to the company with attention to board of director or audit committee. Moreover, Internal Audit Function has been assigned to receive suggestions, complaints or any other concerns related to the Company business operation and regulatory matters. Significant issues shall be reported to the Audit Committee for consideration. The Audit Committee will further review, advice and report the issues and/or outcome to the Board of Directors.

4. Disclosure and Transparency

4.1 Investors Relations

The Board of Directors is aware that the company's information both financial and non-financial, affects the decision making of investors. Therefore, the management team is advised to give accurate and consistent information. The company has organized an Investor Relations office to provide information and news of the company's activities to investors, shareholders, analysts, and the general public. Investors can contact directly to the investor relation unit as follow;

Name	Telephone	E-mail address
Mr. Kiichi Okuyama	(02) 664-9700 ext. 1500	okuyama@chuosenko.co.th
Ms. Jarupa Pitipat	(02) 664-9700 ext. 1664	jarupa.p@chuosenko.co.th
Mr. Thanasak Nillawat	(02) 664-9700 ext. 2000	thanasak.n@chuosenko.co.th

4.2 Directors' Report

The Board of Directors is responsible for the overall financial statements of the company and subsidiaries as reported in this annual report. The mentioned financial report is developed in accordance with accounting and financial standard as being generally accepted in Thailand. The company uses a proper accounting and financial practice on a regular basis. Important information is adequately reported in the note to financial statements.

The effective internal audit system will support the accuracy of financial and accounting information. Not only it will control the company's asset but it will also and allows the company to prevent any abnormality in the operation.

Furthermore, Audit Committee, comprising of independent directors, will review an accuracy of the financial statements and internal control system.

4.3 Shareholders Meeting

In the 2013, Shareholder Meeting, there were 7 Persons of Directors and Management Directors who attended the meeting. The Chairman of the meeting gave equal rights to all shareholders to examine the company's operation, inquire, and give suggestions.

4.4 Board Meeting

The company schedules that the regular board meeting will be held every quarter. However, the company can set up an irregular meeting schedule if necessary. In any meeting, agenda will be previously set and follow-up actions will be taken. To organize a meeting, the company secretary will issue an invitation letter to attend the meeting to every board member. Each board member will receive a letter including necessary information at least 7 days prior to the meeting date. For the year 2013, the company held 7 board meetings. Details of attendance for board of directors' members are declared as following.

Name	Position	Meeting Attendance during year 2013
Mr. Katsuyuki Mizumachi	Chairman and Authorized Director	6
Mr. Shuji Okawa	Authorized Director	7
Mr. Kiichi Okuyama	Authorized Director	7
Mr. Vichien Linchongsubongkoch	Director	7
Mr. Wirash Kanchanapibul*	Independent Director and Chairman of the Audit Committee	4
Mr. Teetitorn Chullapram	Independent Director and Audit Committee's Member	6
Mr. Gurdalb Singh s/o Pala Singh	Independent Director and Audit Committee's Member	6

*Mr. Wirash Kanchanapibul was appointed to Independent Director and Chairman of the Audit Committee since 26th April, 2013.

Minutes of the Board of Director meetings are recorded accurately and able to be rechecked.

4.5 Director and Management Director's Remuneration

Information has been revealed in annual report and 56-1 form, in section "Director's Remuneration".

The company has not yet set up any sub-committee for remuneration consideration. However, the company currently has a remuneration package which is based on standard packages being implemented by other companies of the same industry. Companies that the company uses information as a guideline are those who's billing and size are about the same to that of the company. The remuneration package is subject to an approval from a shareholder meeting.

4.6 Remuneration for the External Auditor

a) Audit Fee

The Company and its subsidiaries have paid the audit fee as follows:

For the year 2013, the Company and its subsidiaries appoint the external auditor and paid the remuneration to the auditor as follows:

Company	(Country)	Audit Firm	Audit fee
Chuo Senko(Thailand) Public Company Limited	(Thailand)	A.M.T. & ASSOCIATES	Baht 1,600,000
Wonder Asia Co., Ltd.	(Thailand)	A.M.T. & ASSOCIATES	Baht 60,000
Chuo Senko Dynamics (ROH) Co., Ltd.	(Thailand)	A.M.T. & ASSOCIATES	Baht 90,000
RDSS Co., Ltd.	(Thailand)	A.M.T. & ASSOCIATES	Baht 90,000
Digital DNA Co., Ltd.	(Thailand)	A.M.T. & ASSOCIATES	Baht 90,000
Tangram Associates Co., Ltd.	(Thailand)	A.M.T. & ASSOCIATES	Baht 90,000
Ad-Asia Company Limited	(Thailand)	A.M.T. & ASSOCIATES	Baht 90,000
Chuo Senko Vietnam Design Services One Member Co., Ltd.	(Vietnam)	BDO Audit Services Co., Ltd.	USD 18,000
Chuo Senko (Cambodia) Holding Co., Ltd.	(Cambodia)	BDO (Cambodia) Limited	USD 5,500
JM Chuo Senko Sdn. Bhd. (Being in liquidation)	(Malaysia)	BDO Chartered Accountants	MYR 9,000
PT. Chuo Senko Consultant	(Indonesia)	Tanubrata Sutanto Fahmi & Rekan	IDR 109,000,000
Chuo Senko Myanmar Pte Ltd.	(Singapore)	Strategic Audit Alliance PAC	SGD 1,000
Ad Asia Advertising (S) Pte Ltd.	(Singapore)	Strategic Audit Alliance PAC	SGD 800
Chuo Senko Myanmar Co., Ltd.	(Myanmar)	JF Group-Certified Public Accountants & Auditors.	USD 1,200
Ad Asia Co., Ltd.	(Myanmar)	JF Group-Certified Public Accountants & Auditors.	USD 1,200
Town Page Co., Ltd.	(Myanmar)	JF Group-Certified Public Accountants & Auditors.	USD 600
Chilli Advertising Co., Ltd.	(Myanmar)	JF Group-Certified Public Accountants & Auditors.	USD 600
Red Bull Co., Ltd.	(Myanmar)	JF Group-Certified Public Accountants & Auditors.	USD 600
Chuo Senko India Advertising India Private Limited	(India)	S V Ghatalia & Associates LLP	INR 600,000

b) Other Fees

- None -



5. Responsibilities of the Board

The Board of Directors participated in setting the directions, policy, administration, and managing all progress according to plan and budget effectively by distinguishing roles and responsibility.

5.1 Balance of power of the Directors who are not in the Management Team

Board of Directors comprises of the following details.

- | | | |
|--|---|---------|
| • Directors who are in management team of the Company and subsidiaries | 4 | Persons |
| • Independent Directors | 3 | Persons |

The company has Independent Directors more than one third of the directors, which makes a balance power of management in the company.

The Company's policy for holding director position in listed company is not greater than 5 companies. At the present, there are no directors with more than 5 positions in other listed companies.

5.2 The Separation of Positions

In order to separate the roles and responsibility in placing policy of Internal Audit affairs and routine management, the President is not the same person with the Chief Executive Officer. All important matters should have the resolution from the Board of Directors in order to benefit and secure the shareholders most.

5.3 Conflict of interests

In order to avoid conflict of interests, the directors have set policies and approval procedures in written documents. Moreover, there is also a policy set to prevent managements and related Persons from using company's internal information for their own benefit by:

Lists with possible conflict of interests.

: The directors have acknowledged the lists of conflict of interests and related transactions and have taken into thorough consideration and actions in accordance with the regulations of the Stock Exchange of Thailand. Price and condition of related transactions are pursuant to arm's length basis, and are revealed in annual report and 56-1 form.

Internal Information Control

: The management must report any change of stock holding to the Securities and Exchange Commission (SEC.) according to the Securities And Exchange Commission Act B.E. 2535, section 59.

: It is prohibited that the management or party that receive internal information to disclose any information to unrelated external parties and prohibited from any trading within 1 month before the financial statements open to public.

5.4 Internal Audit and Internal Control

The company considers that internal audit is very important to control the efficiency levels of both management and operation teams. As such, the company has documented roles, authorization and responsibilities of all management and operation members for reference and guideline for practice. The company has a policy to control the usage of company's assets to generate the maximum benefits to the company. The company also has a policy to separate those who work as internal control from daily operation clearly so that proper audit is effective executed. Additionally, the company has implemented financial auditing and that the auditing is properly reported to concerned directors.

5.5 Risk Management Policy

Chuo Senko (Thailand) Public Company Limited has a vision of becoming Asia's finest advertising corporation. Therefore, in order to meet this target, Chuo Senko (Thailand) Public Company Limited must have a proficient and effective policy with regard to risk management. To protect the company from unacceptable exposure to risk, the organization implements the following procedures that maximizes opportunities and minimizes threats:

1. Providing, managing and maintaining a systematic risk management process that facilitates the constant assessment of the impact and likelihood of risks to the business in all departments.
2. Promoting risk management in all departments and understanding the causes of risk arising from both internal and external forces.
3. All employees of Chuo Senko (Thailand) Public Company Limited, including executives at all levels manage and control risk, and use the same consistent procedures from the identification of, to the evaluation of risk.
4. A Risk Management Plan shall be drafted to aid employees in understanding and implementing the guidelines for risk management.
5. Risk management systems shall be reviewed and developed to ensure that Chuo Senko (Thailand) Public Company Limited has in place the necessary structures and procedures to appropriately manage its opportunities and risks.
6. Employees shall always consider risk management during their daily work.

Vision on Risk Management

: All departments and employees of Chuo Senko (Thailand) Public Company Limited must be proficient in risk management.

Culture of Risk Management

: Risk management is a fundamental part of the organization. All departments, when they encounter a risk, must manage, control and reduce the impact of the risk.

Objectives of Risk Management

1. To educate management and employees of the principles and processes of risk management.
2. To inform management and employees of the steps and processes in the Risk Management Plan.
3. To be a tool for communicating and creating awareness of the risks involved in the business in order to plan and prepare countermeasures to them.
4. To reduce threats and adverse impacts to Chuo Senko (Thailand) Public Company Limited.

Target of Risk Management

1. To make the employees of Chuo Senko (Thailand) Public Company Limited knowledgeable in the field of Risk Management, and to aid employees in implementing proper risk management to achieve the company's targets and objectives.
2. For the employees of Chuo Senko (Thailand) Public Company Limited to be able to identify, analyze and evaluate risks, and manage them appropriately.
3. To implement risk management in the workplace daily.
4. For the employees of Chuo Senko (Thailand) Public Company limited to be able to depend on the company's Risk Management Plan and implementation.
5. To develop risk management as a part of Chuo Senko (Thailand) Public Company Limited's corporate culture.

5.6 Business Ethics

A resolution was reached at the Board Meeting 6/2009 held on August 4, 2009 in approving the announcement of the Company Good Corporate Governance guidelines to all of the directors, managements and employees and held encourage understanding of the agreement of being honest and just in all operation to the company any related party, public and society. The company has held the training for all of staff members and prepares booklets of code of conduct to distribute to its managements and employees with acknowledge receipt. Moreover, disclosed on the Company website: www.chuosenko.co.th as code of business practices on its operation. A summary of CHUO's code of business ethics are as follows:



1. Honest and fair conduct; Employees shall conduct their duties with honesty and fairness and refrain from exploiting their position for their own benefit or that of any particular group, or committing any dishonest action that may damage the Company or our clients.
2. Prudence; the Company shall ensure that the business has been operated with prudence and due professional care that a prudent and competent expert would exercise under a given set of circumstances. The Company and employees must ensure that we have operated the business with the prudent practice at all time.
3. Legal and regulatory compliance; Employees shall comply with applicable laws and regulations, and refrain from assisting others to violate any laws, regulations, or ethical principles. Employees shall make an effort to learn, understand, and monitor changes to relevant laws and regulations, as well as keep up to date with their professional code of conduct.
4. Record and Reporting duties; CHUO's financial and other report must be accurate and complete. The Company shall not withhold any information from appointed auditors or supervisor agencies, and shall not disclose information require to evaluate the accuracy of financial statements and the integrity CHUO's operation.
5. Duty of confidentiality; confidentially towards the Company and customers is fundamental. Financial information, customer transaction and activities is deemed confidential and shall not be exploited for any employees' own benefit, nor be disclosed to any other party.
6. Conflict of interest; Employees shall concentrate on their responsibilities to the Company regardless of personal interest. Business decisions shall be made to ensure maximum benefit for the Company and our clients.

6. Internal Information Control

The company has established a policy to prevent the management team to use internal information in their own interests. The company prohibits the management, as well as their spouses, or dependent who are not sui juris to use internal information that has not yet been disclosed, to sell, buy, or transfer stocks offered by the company before the information has been disclosed to the public complies with laws and regulations for any public company. Any time that management sells, buys, or transfer company stocks, the laws and regulations stipulate that, management must inform the Securities and Exchange Commission and the Stock Exchange of Thailand within 3 days of the transaction date.

In any case, management team violates, the Company shall penalties by written warning, imposed for any breaches in accordance with the term of employment contract.

7. Human Resources

a) Legal Disputes

- None -

b) Number of staff

As of December 31st, 2013, the company and subsidiaries companies have a total staff of 264 Persons. Details are as following:

1. Chuo Senko (Thailand) Public Co., Ltd.	170	Persons
2. Chuo Senko Dynamics (ROH) Co., Ltd.	1	Persons
3. Digital DNA Co., Ltd.	4	Persons
4. Tangram Associates Co., Ltd.	1	Persons
5. Ad-Asia Company Limited	7	Persons
6. Chuo Senko Advertising India Pvt Ltd.	2	Persons
7. Ad Asia Co., Ltd (Myanmar)	5	Persons
8. Chuo Senko Vietnam Design Services One Member Ltd.	59	Persons
9. Chuo Senko (Cambodia) Holding Co., Ltd.	7	Persons
10. PT. Chuo Senko Consultant.	8	Persons
Total	264	Persons

As part of Chuo Senko (Thailand) Public Co., Ltd., the 170 staffs are separated as the following:

1. Management	8	Persons
2. Advisors to Client Service Department	4	Persons
3. Client Service Department	31	Persons
4. Creative Department	35	Persons
5. Retail Development Department	7	Persons
6. Strategic Planning Group Department	9	Persons
7. New Business Department	1	Person
8. Marketing Activation Department	9	Persons
9. Public Relation Department	2	Persons
10. Production Administration Department	4	Persons
11. Financial and Accounting Department	12	Persons
12. Human Resources & General Affairs Department	25	Persons
13. Information Technology Department	4	Persons
14. Internal Audit Department	1	Person
15. Procurement & Printing	3	Persons
16. Japanese Client Coordinator Group	3	Persons
17. Internal Audit	1	Person
18. Special Project	2	Persons
19. Second to Affiliated Companies	9	Persons
Total	170	Persons

c) Staff Remuneration

In 2013, the company paid Baht 192 million for staff remunerations in the form of salaries, bonuses, contributed social security fund and other welfares.

d) Provident Fund

The Company has established a Provident Fund purpose to the provident fund is to encourage long-term saving among employees for their retirement or in the event of their leaving the Company. Rule and regulation of the provident fund, including the rights of members for the entire duration of their member to the fund, have been set up to comply with Provident Fund Act B.E.2530

Employee's Contribution: Members shall remit contributions to the provident fund by granting the Employee permission to make deductions 5% from their salary.

Employer's Contribution: Employer is obligated to contribute to the provident fund on the same rate (5%) with each employee's salary. For the year 2013, the Company remit contributions to the provident fund total amount Baht 4 million.

e) Loans to directors and staff

To motivate staff to work, to ease their financial burden, and to reward the directors and staff, the company has a welfare policy through which directors and staff can obtain loans from the company to purchase vehicles, buy houses, renovate their homes, and sustain their children's education. The conditions of the loans are that only employees who have been working for no less than 1 year with the company can obtain a loan, equivalent from 2 to 10 times of their salaries, but not exceeding Baht 300,000 per person. Annual interest rate is at 75% of MOR with an installment period of 4 years. Instance varying from the policy as outlined above, must receive approval from a management review board meeting. The company will deduct payments for the loan, with interest, on a monthly basis from the employees' salaries. In the event that employees resign prior to having repaid the loan, the employees must make full restitution of the balance of the loan prior to leaving the company.

As of December 31, 2013, the company has extended loans to directors and staff amounting Baht 1,880 million as following:

• Loans to directors	-	Million Baht
• Loans to staff	1,880	Million Baht

e) Staff Development Policy

Our staff is the key success factor to the company. The company is well aware of the importance of developing staff to increase their skills and knowledge. The company has allocated a budget to train staff, both internally and externally



Staff training and development expenses for the year 2009-2013, are summary as follows;

(Unit : Baht)

	2013	2012	2011	2010	2009
Staff Training and Seminar Expenses	793,450	328,931	887,413	520,562	265,808

8. General Human Resources Policies

The Company had established on Human Resources Policy that applies to all CHUO entities. Human Resource tools are developing to ensure the most effective human resource management and development. Human Resources operations are centralized for work efficiency and consistency. Meanwhile, decentralized authority and empowerment is embedded to allow business lines to execute competitive HR practice for competitive advantage in their own business environment. The policy is shown as follows:

a) Principles of Dealing with People at CHUO

Because professionalism and trust in our service is crucial, the Company had established a definition of its corporate value in order to foster their development in our offices. CHUO's values describe the six human behaviors that accommodate the journey of the organization toward success are follows:

1. Customer priority
2. Integrity
3. Reliability
4. Mastery
5. Creatively
6. Guidance

b) Hiring and Employment with CHUO

In order to serve our business aims while maintaining a uniform corporate culture across the Company, the selection and hiring of CHUO employees is based on corporate values and require competency i.e. Organizational Core Competencies, Functional, and Leadership Competencies. To ensure good corporate governance, Human Resource Department shall provide the tool for scan the candidate will be assessed to match their competency with the requirements of the position and potential, then the Head of each department will decision to selection the employee. The Company has job promotion and job rotation policy in case of job vacancy in the Company. Even, the executive and human resource function also have duty to select the candidate from outside who have appropriate qualification in order to maintain the good quality of human resource. It is as important to hire the right person as it is to integrate into the organization so that their skills and behaviors can merge smoothly with our culture.

The Company favors a policy of long-term employment. Termination are only violating the Company's regulation, business misconduct, retirement, leaving voluntarily, and falling into separation criteria as stated in the rules and regulation that the Company has registered with the Department of Labor. Whenever an operation or business cannot be maintained under the CHUO, reasonable steps will be undertaken to avoid overall loss of employment and by fully respecting all related labor laws. Reasonable efforts will be undertaken to reduce, as much as possible, the suffering of our employees.

c) Assessment and Developmenta

1. Assessment

Human Value creation starts with the quality of the people that fit with the Company strategy, culture, technology and environment. Therefore, employee assessments shall be employed in all steps of employee movements from selection of new candidates to promotion, career development and succession planning. The Human Resources function will provide assessment tool as the corporate level, whereas each department will have the freedom to customize assessment tools under corporate Human Resource Department to suit each business environment while maintaining corporate standards of people quality.

2. Development

To sustain organizational growth, the Company has prioritized human resources development as a primary policy. Learning culture is established by providing development solutions that satisfy both organizational requirements and individual development. A policy that encourages continuous self-improvement through learning leads to sustainable growth and finally, a high performance organization.

d) Career Management

To motivate employees and build up the organization's strength, every employee has opportunities for career progression, both vertically and horizontally.

e) Employee Compensation and Benefits

The Company favors competitive, stimulating and fair remuneration structures offering an overall competitive and attractive compensation package. Various forms of compensation are designed in combination to best match the nature of various jobs, as well as supply and demand. Remuneration includes salary, fixed and variable incentives/bonuses, social welfare, health care and other benefit.

The Company recognizes that its employees are its most important resource and thus places great emphasis on their health, safety and well being the Company arrange for all employee to have annual physical checkups.

f) Human Resources Administration

To be fully in compliance with labor laws and regulations, all Human Resources practices related to labor law are centralized at the Human Resources functions so as to handle properly. Any policies and/or Human Resources practices that contradict national labor laws will be automatically superseded and the Company's rules will be revised in accordance with the new labor laws.

Employee data recording is centralized at the Human Resources function for overall and high level workforce management. Transfers or changes in employee status at all departments are to be reported and processed according to the corporate Human Resources guidelines and procedures.

9. Corporate Social Responsibility and Environmental Management

Aware that business operations that lack social and environmental activities are unsuitable, the Company is determined to do business in such a way that not only can it sustain continuous growth, but also simultaneously generate positive impacts on social and environment as follows:

Environment activities; we concern that our operation should be kindly with environment. We develop successful and continue to perform consistently. Then we got the ISO 14001:2004.

Social activity; the Company has donated computer equipment to public agencies.

10. Dividend Payment Policy

The Company intended to allocate dividends to the shareholders under the subject as not less than 30 % of net income in separate financial statement unless there are future considerations, such as business expansion.

Nevertheless, during the past five years, the Company had paid dividend to shareholders fairly with the Company's results of operation and economic situation as follows:

Performance Result for the Year	2012	2011	2009	2008	2007
Value of Share (Baht)	5.00	5.00	5.00	5.00	5.00
Dividend per share (Baht)	0.30	0.30	0.80	0.30	0.70
Total amount (Baht)	3,375,000	3,375,000	9,000,000	3,375,000	7,875,000
Ratio(%) net profit	*	*	53%	*	58%

*Paid form retain earning



Nature of Business

Chuo Senko (Thailand) Public Company Limited inaugurated into the advertising business by being a total solution advertising agency since 1963. Base upon trust and respect, the Company has remarkable growth more than 50 years of operation experience in marketing communication specialist and has numerous created advertising campaigns for well-known products and services, which can provide visible confirmation of our highly professional standard very well, e.g. Honda Motorcycles, Honda Cars, Yum-Yum Instant Noodle, Hitachi, AEON Finance Institution, Tokyu Department Store, Thanachart Bank, and etc.

Chuo Senko (Thailand) Public Company Limited is the center of investment policy and business operations of the Group throughout Asia which has been operating in a total of 7 countries including Thailand, Vietnam, Cambodia, Indonesia, India, Singapore and Myanmar. In addition, the Company has been involving in many communication campaigns.

Company Background

Chuo Senko (Thailand) Co., Ltd. was incorporated on 24 August 1981. Since its establishment, the company has increased its capital from time to time. Currently its registered capital issued on 31 December 2013 is Baht 56.25 million.

The company was listed to be “public company”, and changed its name to Chuo Senko (Thailand) Public Company Limited on 2 October 2001. Moreover, the company has brought itself to list on the Market for Alternative Investment (MAI).

Significant Changes In The Group Structure

During 2013, the significant changes in the structure of ownership interest in subsidiaries can be described below.

January 2013 The Company invested in 2,997 ordinary shares of Seven-Note Co., Ltd. (Changed name to be Tangram Associates Co., Ltd.), which registered its incorporation with the Ministry of Commerce on January 18, 2013 at a price of Baht 1,000 per share, for a total of Baht 2,997,000.00. The Company's investment represents 60 percent of the registered capital of such company.

The Company invested in 230,000 ordinary shares of Mudra Integrated Retail Services Private Limited (Changed name to be Chuo Senko Advertising India Private Limited on 12 February 2013) in India, at a price of INR 10 per share, for a total of INR 2,300,000.00 or approximately Baht 1.3 million. The Company's investment represents 46 percent of the registered capital of such company.

April 2013 Chuo Senko Myanmar Pte Ltd, a subsidiary, invested in 5,000 ordinary shares of Japan Real Estate Co., Ltd (Changed name to be Chuo Senko Myanmar Co., Ltd on 27 September 2013) in Myanmar at a price of USD 10 per share, for a total of USD 50,000 or approximately Baht 1.5 million. The subsidiary's investment represents 100 percent of the registered capital of such company.

Chuo Senko Myanmar Pte Ltd, a subsidiary, invested in 5,000 ordinary shares of Town Page Co., Ltd in Myanmar at a price of USD 10 per share, for a total of USD 50,000 or approximately Baht 1.5 million. The subsidiary's investment represents 100 percent of the registered capital of such company.

June 2013 Chuo Senko Dynamics (ROH) Company Limited, a subsidiary, invested in 999 ordinary shares of Ad Asia Advertising (S) Pte Ltd in Singapore at a price of USD 300 per share, for a total of USD 299,700 or approximately Baht 9.3 million. The subsidiary's investment represents 100 percent of the registered capital of such company.

Ad Asia Advertising (S) Pte Ltd, a subsidiary, invested in 5,000 ordinary shares of Ad Asia Co., Ltd in Myanmar at a price of USD 10 per share, for a total of USD 50,000 or approximately Baht 1.6 million. The subsidiary's investment represents 100 percent of the registered capital of such company.

Ad Asia Advertising (S) Pte Ltd, a subsidiary, invested in 2,500 ordinary shares of Red Bull Co., Ltd in Myanmar at a price of USD 10 per share, for a total of USD 25,000 or approximately Baht 0.8 million. The subsidiary's investment represents 100 percent of the registered capital of such company.

Ad Asia Advertising (S) Pte Ltd, a subsidiary, invested in 2,500 ordinary shares of Chilli Advertising Co., Ltd in Myanmar at a price of USD 10 per share, for a total of USD 25,000 or approximately Baht 0.8 million. The subsidiary's investment represents 100 percent of the registered capital of such company.

August 2013 The Company had additional invested in common shares of Chuo Senko Myanmar Pte, approximate total amount of Baht 1.6 million, which buying the shares from the joint-venture partner, Strider Corporation; totaling 510 shares at par value of 100 USD per share.

Nature Of Business

Overall Business Activities Of The Group

The Company and its subsidiaries are collaborating together as an advertising agency which provides total-solution services for integrated marketing communication comprised of the following services.

1) Strategic Planning and Research

The service is to provide missions to create added value for clients' communication. The important part of this service is to serve as "Partner" for clients' business, and also act as "Strategic Consultant" for the very best interest for the clients.

2) Creative

This service is the main service of the Company which provides wide range of creative production including TVC, Radio Spot, Print ads in newspaper and magazine, billboard, Mobile media, etc.

3) Producer and Printing

Advertising and creation also need 'Tangible media' in order to support 'Main media'. This service is to serve the details part of communication, to complement communication with partners and targets.

4) Marketing Activation

This service has been developed from event marketing in order to establish a linkage to target consumers. The roles of "Marketing Activation" are creating consumer experience and induce purchasing decisions. There is variety of consumers' contact point which we can create big idea such as Special Events, Launching Events, Press and Dealer Conference, Activities in exhibition, Public Relation, Press Release, Press Visit, Interactive marketing, Social networking, Viral Marketing, Call center, Sales promotion, Road show. This is the integrated service among all communication tools including Public Relation in accordance with the big idea.

5) Retail Development

Retail Development service provides efficiency of retail space both of shop interior and exterior design which are stylish, different, utilized, and value for money. This service also includes operation and function development in order to match with clients' various communication strategies and tools i.e. Corporate shop and Showroom, Exhibition and Booth, Corner and Shop-in-shop, POP and Kiosk, Corporate Identity and Sign System.



6) Media Planning & Buying

These services offering to bridge the gap between creative and channel solution. Our services include strategic media recommendation, media plan development & execution, new media opportunities, media buying strategy & execution, monitoring, reviewing and reporting. Effective media buying plan has become a big factor to manage all investment in marketing communication campaigns to the utmost benefits.

7) Media Production

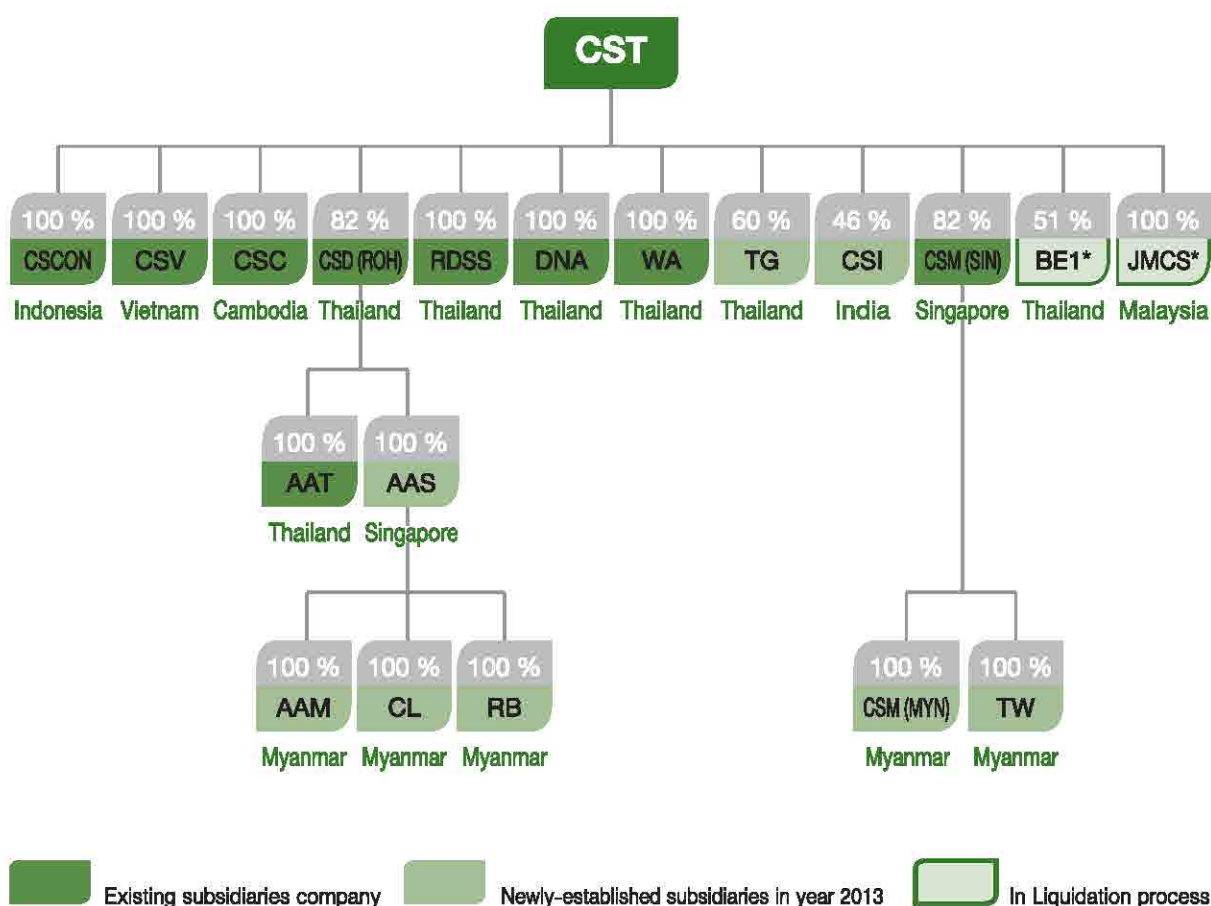
This total video and media production service include video shooting, video editing, all kinds of computer graphics and files conversion to digital media to support a presentation or a public relation in various types as needed.

For all campaigns of our customers to succeed truly, the Company has collaborated in all spectrums. All of the great services are for the best customers, and support to customers' needs with communication surrounding 360 degree into success and optimized customers' satisfaction.

Operating Policy In The Group

The company provides full-range of advertising services in Thailand and is the center to support business operation for all of foreign subsidiaries. The company would expand our investment in line with our clients base. The subsidiaries in foreign countries provides full-range of advertising services and business consultant services. Each company would operate and serves the client in the particular country by their own.

The following is structure of the Group as of 31 December 2013.



Abbrev.	Company's Name	Country of Incorporation
CST	Chuo Senko (Thailand) Public Company Limited	Thailand
CSCON	PT Chuo Senko Consultant.	Indonesia
CSV	Chuo Senko Vietnam Design Services One Member Co., Ltd.	Vietnam
CSC	Chuo Senko (Cambodia) Holding Co., Ltd.	Cambodia
CSD(ROH)	Chuo Senko Dynamics (ROH) Co., Ltd.	Thailand
RDSS	RDSS Co., Ltd.	Thailand
DNA	Digital DNA Co., Ltd.	Thailand
WA	Wonder Asia Co., Ltd.	Thailand
TG	Tangram Associates Co., Ltd.	Thailand
CSI	Chuo Senko Advertising India Private Limited.	India
CSM (SIN)	Chuo Senko Myanmar Pte Ltd.	Singapore
BE1*	Be 1 Communications Co., Ltd.	Thailand
JMCS*	JM Chuo Senko Sdn. Bhd.	Malaysia
AAT	Ad Asia Co., Ltd.	Thailand
AAS	Ad Asia Advertising (S) Pte Ltd.	Singapore
AAM	Ad Asia Co., Ltd.	Myanmar
CL	Chilli Advertising Co., Ltd.	Myanmar
RB	Red Bull Co., Ltd	Myanmar
CSM (MYN)	Chuo Senko Myanmar Co., Ltd.	Myanmar
TW	Town Page Co., Ltd.	Myanmar

Remark: * In liquidation process



Revenue Structure Of The Company And Its Subsidiaries

Total revenues included in the financial statements from the year 2011 to the year 2013 of the Company and each of its subsidiaries as follow:

Company's Name	Country of Incorporation	Percentage of ownership interest	2013		2012		2011	
			million Baht	%	million Baht	%	million Baht	%
Chuo Senko (Thailand) Public Company Limited	Thailand	-						
Commission and services income			280.97	66.22	236.79	71.21	234.88	70.61
Other income			24.85	5.86	8.31	2.50	5.67	1.70
PT Chuo Senko Consultant. (Indonesia)	Indonesia	99%						
Commission and services income			21.88	5.16	20.50	6.17	19.02	5.72
Other income			1.30	0.31	0.45	0.14	-0.02	-0.01
Chuo Senko Vietnam Design Services One Member Co., Ltd.	Vietnam	100%						
Commission and services income			53.92	12.71	49.55	14.90	46.81	14.07
Other income			0.35	0.08	2.11	0.63	3.27	0.98
Chuo Senko (Cambodia) Holding Co., Ltd.	Cambodia	100%						
Commission and services income			6.05	1.43	8.87	2.67	6.78	2.04
Other income			-	-	-	-	-0.01	-
Chuo Senko Dynamics (ROH) Co., Ltd.	Thailand	82%						
Commission and services income			-	-	-	-	-	-
Other income			2.31	0.54	-	-	-	-
RDSS Co., Ltd.	Thailand	100%						
Commission and services income			1.95	0.46	0.12	0.04	-	-
Other income			0.01	-	-	-	-	-
Digital DNA Co., Ltd.	Thailand	100%						
Commission and services income			9.33	2.20	-	-	-	-
Other income			-	-	-	-	-	-
Wonder Asia Co., Ltd.	Thailand	100%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
Tangram Associates Co., Ltd.	Thailand	60%						
Commission and services income			5.40	1.27	-	-	-	-
Other income			0.01	-	-	-	-	-
Chuo Senko Advertising India Private Limited.	India	46%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
Chuo Senko Myanmar Pte Ltd.	Singapore	82%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-

Company's Name	Country of Incorporation	Percentage of ownership interest	2013		2012		2011	
			million Baht	%	million Baht	%	million Baht	%
Be 1 Communications Co., Ltd.	Thailand	51%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
JM Chuo Senko Sdn. Bhd.	Malaysia	100%						
Commission and services income			-1.84	-0.43	5.74	1.73	14.93	4.49
Other income			13.25	3.12	0.08	0.02	1.33	0.40
Ad Asia Co., Ltd	Thailand	82%						
Commission and services income			2.73	0.64	-	-	-	-
Other income			0.17	0.04	-	-	-	-
Ad Asia Advertising (S) Pte Ltd.	Singapore	82%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
Ad Asia Co., Ltd.	Myanmar	82%						
Commission and services income			1.01	0.24	-	-	-	-
Other income			-	-	-	-	-	-
Chilli Advertising Co., Ltd.	Myanmar	82%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
Red Bull Co., Ltd.	Myanmar	82%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
Chuo Senko Myanmar Co., Ltd.	Myanmar	82%						
Commission and services income			0.65	0.15	-	-	-	-
Other income			-	-	-	-	-	-
Town Page Co., Ltd.	Myanmar	82%						
Commission and services income			-	-	-	-	-	-
Other income			-	-	-	-	-	-
Total			424.30	100.00	331.93	100.00	332.66	100.00



Risk Factors

There are significant risk factors, which may be considered and can affect Chuo Senko Group and investors directly as following details:

Human Resources Risk

Advertising is a service business that needs human resources in operation. These resources are for creative work, strategic planning, client service, etc. Those people are the ones who develop ideas, develop work, and set marketing and advertising strategies for clients. If the company loses those people, the company may lose the clients of which those people are in charge. To avoid the risk, the company has set measures that could be used as company's policies, which includes:

1 Staff Training and Development

Staff training and development is one of the key activities for us. We have set up specific budget for this purpose and make sure that all staffs have the opportunity to participate in trainings that are directly connected to their responsibility and other related topics that would benefit the organization such as leadership development, team working, and improvement of working skills. To fulfill our target, the company has organized both in-house training programs and outside training programs. These trainings would be presented by qualified speakers that enable staff to experience new horizon of professional skills.

2 Career Path

We continuously support young talent staff, willing to be a part of success of the company, to perform their capabilities before stepping into new young executives in the company.

3 Job Rotation

We are open to staff that find their position not right for their capability to change or transfer and also provide trainings that are in line with their new position to make sure that staffs are ready to explore the talents in the new sphere.

4 Working in Groups (Brand Team)

Working in groups is our policy to manage operations. Each group is supervised by head of departments who are responsible to guide and lead their subordinates together with our constant trainings to develop staffs into professional leaders. Head of departments would make sure that their subordinates are always guided to perfect their efficiency and remain loyal to the company. Working in groups, at the same time, increases more efficiency service providing to clients.

5 Dry & Wet Incentive

We take it as a compulsory to encourage and support staffs' achievement in creating recognition and income for the company.

6 Team/Outdoor Activities

In all our outdoor activities, we enforce on activities that would portray the big picture of our company, our staffs, the unity of Chuo Senko, and the power of teamwork. Our annual activities include New Year Party, Company Tour, Team Building Activities and training courses.

7 Welfare Committee & Working Committee

In order to make any decisions concerning employee's welfare or related issues with employees, the company has elected a welfare committee and other specific committee to make all decisions on behalf of staffs. This would enable all employees to participate in company's management and be responsible to company's policies and activities.

Risk in Relying on Key Clients

The company has two key clients: Honda Group and Wanthai Foods Industry Co., Ltd. These two key clients account for 84 percent of total billings of the company. However, due to the current competitive situation, the company may lose some income from these key clients. If this happens, it may affect the total income of the company. The company has been trying to reduce the possibility of the situation by continuously developing good quality services to serve the needs of the clients that change continuously due to the change in customer behaviors and also prepared staff to serve and service the clients in specially. Moreover, the company has set up service department to support and serve for new client to reduce the risk in relying.

Risk In Technology Change

Technology, both production technology and media technology, change fast. The graphic design industry, for instance, has changed from hand-made to computer graphics. Computer graphics can help the company design advertising materials in any layout in order to satisfy the clients. The technology also facilitates the adjustment of the advertising work. Any company that cannot cope with the changes may risk losing clients.

The company is aware of this situation, and trains staff in the technology from time to time. The people who have learned the technology have to educate and share knowledge with others in the company and try to acquire new types of services that can be adjust to fit our clients' needs.

Media Specialists

During the past years, there has been a change in the advertising fee system, since clients have demanded efficient media buying that must reach the target groups effectively and at the minimum cost. Some clients may ask advertising agencies to develop only creative work and use media from media specialists.

The company is aware of this situation, and has run business with independent media specialists which are 1.) Mediaedge : cia of Group M, by using the services from Mediaedge : cia Thailand. and 2.) Densu (Thailand) Co., Ltd. Both independent media groups is the world class media specialists and render wide range of media services comprising of media planning, selection, and buying to our clients. Being able to use the service of the media specialists, the company can buy big volume of media and enhance effective and efficient services so that the company can render this service and offer reasonable media prices to our clients.



Capital Structure

Company Capital

The company has registered capital of Baht 56.25 million and paid-up share capital of Baht 56.25 million of which are divided into 11,250,000 shares, at par value Baht 5 each.

Shareholders

The followings are major shareholders as of 24 December 2013.

Name	No. of Shares (shares)	Portion of Securities (%)
1. Asia Business Support Association Co., Ltd.	2,530,000	22.49
2. The Pacific Century Fund Pte. Ltd.	1,417,500	12.60
3. Bloom Well Corporation Limited	980,000	8.72
4. Mr. JOHN WORRALL D'ARCY GROVE	960,000	8.54
5. Osawa Sogyo Co., Ltd.	327,950	2.92
6. Thai NVDR Co., Ltd.	289,100	2.57
7. Mr. Kamchorn Ratanachaikanon	225,000	2.00
8. Mrs. Nawarat Promlakkano	120,000	1.07
9. Mr. Nattasat Pitchwongkasem	117,000	1.04
10. Mr. Jirasak Nueangsigghapean	104,600	0.93

Remuneration Policy

The company has a dividend policy for not less than 30% of the net profit in separate financial statements, in case the company does not have other expenditures such as business expansion for future plan. Moreover, the subsidiaries have a policy to pay dividend not less than 50%.

Connected Transactions

In 2013 and 2012, the Company had the trading transactions and others with its subsidiaries and related companies as disclosed in the notes supplementary to the financial statements clauses 2.6 for the year 2013.

For the year 2013, an ordinary and usual course of business transaction, such as Advertisements and Marketing Research, between the Company or its subsidiaries and connected person remain unchanged from the approved principle of those transactions by The Board of Director Meeting No. 3/2008, complied with section 89/12 (1) of The Securities and Exchange Act (No.4) B.E.2551. In addition, the Company expects the connected transactions occurred at present have a tendency to keep on continuing. However, the Company has the approval procedures of the said items by authorized person specified at the amount limits.

For other related transactions not classified as the regular business must receive prior approval from the Board of directors and the Independent Directors attending the meeting as well. The directors who have vested interest in any matters have no right to vote in them. But they shall disclose the type and value of the related item with a reason for making the related item, including having to disclose it in the annual report.

The followings are related party transactions between the Company and its subsidiaries and related companies.

Nature of Transactions	Company's name	Relationship	Transaction amount (Baht) For the years ended 31 December		Remark
			2013	2012	
1) Marketing research expenses	Asia Business Support Association Co., Ltd.	Parent company	-	55,000	Because the Company has a policy to do business supported the group in order to provide full range of services to our overseas and domestic clients and all companies in CHUO group are expert on various specific services, we are able to select the specific services from CHUO group. These transactions were carried out on normal commercial terms and conditions. Therefore, they are the normal business transactions.
			-	55,000	
2) Consulting and Management fee	Asia Business Support Association Co., Ltd.	Parent company	3,251,129	-	
	Wonder Asia Pte Ltd.	Related company	-	880,110	
			3,251,129	880,110	



Financial Position & Operating Results

Financial Ratios

(Unit : Baht)

		Consolidated			Company		
		2013	2012	2011	2013	2012	2011
LIQUIDITY RATIOS							
Current Ratio	Times	1.04	0.94	1.11	0.89	0.81	1.01
Quick Ratio	Times	0.98	0.90	1.07	0.82	0.75	0.97
Cash Ratio	Times	(0.09)	0.12	0.07	(0.05)	0.17	0.10
Accounts Receivable Turnover	Times	10.71	9.62	10.16	14.30	12.72	18.08
Collection Period	Days	34	37	35	25	28	20
Accounts Payable Turnover	Times	5.64	3.26	5.39	7.08	3.11	5.45
Payment Period	Days	64	111	67	51	116	66
Cash Cycle	Days	(30)	(74)	(32)	(26)	(88)	(46)
PROFITABILITY RATIOS							
Gross Profit Margin	%	62.18%	54.42%	56.41%	62.53%	51.94%	55.86%
Net Profit Margin	%	4.97%	-7.42%	-3.34%	14.01%	-13.01%	-3.81%
Return on Equity	%	14.09%	-16.90%	-7.09%	27.03%	-24.78%	-6.04%
EFFICIENCY RATIOS							
Return on Assets	%	2.73%	-2.96%	-1.97%	6.80%	-4.47%	-1.93%
Return on Fixed Assets	%	114.44%	-71.25%	-21.59%	249.70%	-118.69%	-19.20%
Total Assets Turnover	Times	0.55	0.40	0.59	0.49	0.34	0.51
FINANCIAL POLICY RATIOS							
Debt to Equity Ratio	Times	4.16	4.71	2.61	2.98	4.55	2.13
Interest Coverage Ratio	Times	3.06	(10.94)	(6.93)	19.81	(18.64)	(6.44)
Dividend Payout Ratio	%					-10.95%	-37.73%
STOCK INFORMATION							
Book Value per share	Baht	11.90	12.54	13.50	12.94	11.05	13.15
Earnings per share	Baht	1.68	(2.12)	(0.96)	3.50	(2.74)	(0.80)
Dividend per share	Baht	-	-	-	-	0.30	0.30

Management Discussion And Analysis

Company Overview

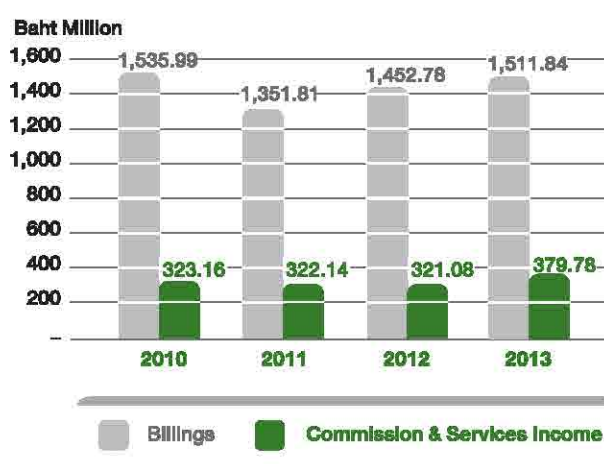
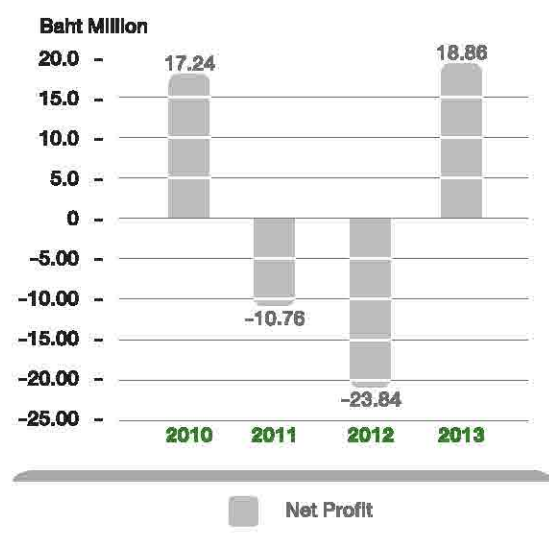
The economy is the main factor which affects the growth of the advertising business. The main business operations come from advertising expenditures of many organizations, e.g. government and private sector. If the economy is growing, most organizations tend to increase advertising budget to stimulate sales and services, and this can drive advertising business growth. On the other hand, if there is economic slowdown, the organizations tend to reduce in advertising cost, this cause advertising business has slowed down.

In the year 2013, global economy has been recovery and expanded compare with last year. Especially, Southeast of Asia Region has been growth up rather than other regions. AEC (ASEAN ECONOMICS COMMUNITY) in the year 2015 is the main factor to attract investments from other countries and encourage the economic in this Region. However, the countries in Southeast of Asia Region confront with problems in increasing of public debt and corporate debt.

The conclusion of Thai economy has been slowly since last year by reducing of consumption demand in the country. In the first half year, the economy still has expanded from government's policy since last year such as reduces corporate income tax rate, first car and first house with attracting investment from investors. Therefore, in the second half year the economy has been slow down because of reducing of consumption demand. The ending of government's policy is the main reason to reduce of demand. Beside, Government's policy is a cause to increase in public debt. In addition, political deadlock affects directly to slow down of corporate investments.

The advertising business in year 2014 has not been growth up much because of the slowdown in economy as the reason above. The summary of advertising expenditures for the year 2013, total advertising expenditures of Baht 115 billion (2012: Baht 114 billion), represented market growth of 0.95% (Source: Nielsen Media Research). As the advertising business is slowly growth up, then the company has a policy to increase investment in Thailand and overseas to expand base of new clients on the purpose of increasing revenue continually. Currently, the company has network in 7 countries in Asian region. Recently, the company has established new subsidiaries in Myanmar and India. In Thailand, the company has also established new subsidiaries to support and service in overall of advertising business, specifically on TV Digital which is coming in high popularity. All of the company's policy affects directly to the company's operations.

For the fiscal year 2013, the group reported the consolidated net profit for the year of Baht 18.86 million which increased of Baht 42.70 million or 179.11%, year-on-year compared to net loss for the year 2012 amounting to Baht 23.84 million. The main causes are as follows;



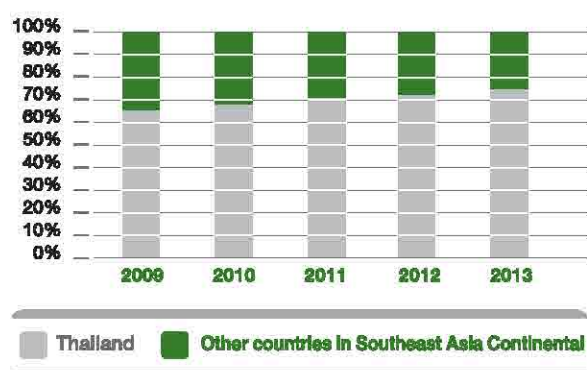
• Commission & Services Income and Direct cost

The growth of the advertising industry in 2013 was at rate of 0.95%, The group's total billings or gross income collected from clients was Baht 1,511.84 million (2012: Baht 1,452.78 million), which increased of Baht 59.06 million, or 4.06%. This increase mainly came from the revenues of the company. The company's total billings were Baht 1,088.24 million (2012: Baht 1,071.61 million), which increased of Baht 16.63 million, representing 1.55% due to slow down of Thai economy as mentioned above which affected to reduce budget of advertising cost in all business. The subsidiaries' total billings for the year 2013 were Baht 423.60 million (2012: Baht 381.17 million), which increased of Baht 42.43 million, representing 11.13% with successfully in the group's policy to set up new subsidiaries to support and service clients in overall.

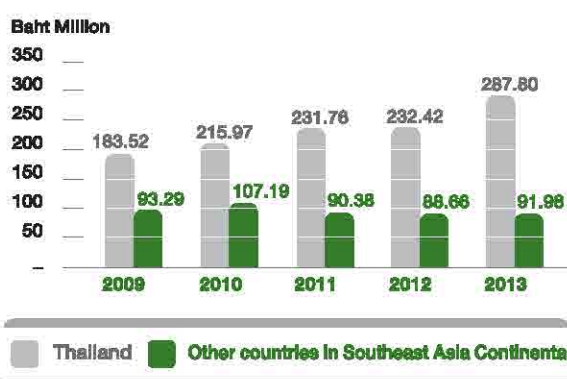
Consolidated commission and service income for the year 2013 was Baht 379.78 million (2012: Baht 321.08 million) which increased by Baht 58.70 million or 18.28%. By region, the group's domestic income was Baht 287.80 million and income from Southeast Asia, which are: Vietnam, Cambodia, Indonesia, India, Singapore and Myanmar are Baht 91.98 million.

Domestic commission and service income was almost the same as from amounting to Baht 232.42 million to Baht 287.80 million year-on-year, representing which increased of Baht 55.38 million or 23.83% because the group has been successful to complete jobs on unbilled account receivable from the previous year, including the group has set up new department to share more services and finding new clients.

Proportion of commission and services income by geographical segment



Commission and services income by geographical segment



The Group generates revenue from the overseas market in Southeast Asia. The commission and service income slightly increased from last year Baht 88.66 million to Baht 91.98 million in 2013, representing an increasing of Baht 3.32 million or 3.74% due to the recovery of global economy and investment from other countries which is attractive by AEC in the year 2015.

Consideration of the proportion of commission and service income by geographical segment, the ratio between domestic and overseas income during 2013 and 2012 were the same at 76:24.

For the year 2013, the direct costs of providing services, the advertising industry normally included employee costs slightly decreased by Baht 2.73 million, representing 1.87% from Baht 146.35 million in 2012 to Baht 143.62 million in 2013. The group has capacity to manage cost of sales and services to be almost as same as the last year. The company had direct costs of providing services in 2013 was baht 105.27 million (2012: 113.81 million) which decreased of baht 8.54 million or 7.50%. Therefore, gross profit margin has increased from 54.42% in 2012, to 62.18% in 2013.

• Other Income

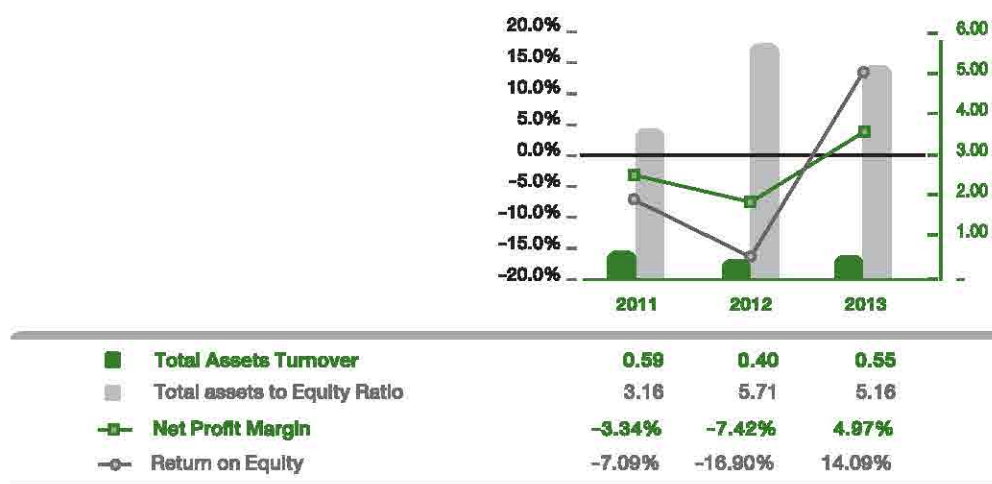
Other income in the year 2013 amounted to Baht 8.02 million (2012: Baht 10.10 million) which decreased Baht 2.08 million or 20.59%. In the year 2013, the group had gain on sales of fixed assets amounting to Baht 1.04 million and interest income amounting to Baht 3.85 million. For the year 2012, the group had gain on exchange rate amounting to Baht 1.67 million and interest income amounting to Baht 3.50 million.

• Administrative Expenses and Management Benefit Expenses

(Unit : Baht Million)

	Consolidation			
	2013	2012	Change	% Change
Administrative Expenses	176.67	162.84	13.83	8.49%
Directors and Management's benefits	62.11	41.24	20.87	50.61%
Total	238.78	204.08	34.70	17.00%

Administrative expenses for year 2013 amounted to Baht 176.67 million (2012: Baht 162.84 million) an increase of Baht 13.83 million or 8.49%. Therefore, the group has expanded the business continually from last year by setting up new companies in Thailand, Singapore and Myanmar for the purpose of service and expanding base of new clients in overseas. These caused to increase in administrative expenses due to the increase in the amount of employee expense and office expense which related to the increase of number of the employee following setting up the new subsidiaries. The management benefits expenses also increased by Baht 20.87 million or 50.61% because of increase in subsidiaries in overseas.



As shown in the above chart, the group has net profit margin and return on equity more than the previous year. Consolidated net profit margin and return on equity for the current year was 4.97% and 14.09% (2012: -7.42% and -16.90%), respectively. This increase is because of the increase in consolidated net profit as described above.

However, considerable factors in determining return on equity including net profit margin, assets turnover, and ratio of total assets to shareholders' equity. The decrease in return on equity for the year 2013 can be analyzed as follows.

• **Assets turnover** For the year 2013, assets turnover is at 0.55 times (2012: 0.40 times) that will be shown capacity to manager total assets to generate revenue. The increase comes from the group that is able to successfully completed jobs on unbilled account receivables from previous year. This cause to the group increased in commission and service income. In the same time, the total assets decreased because of decreasing in unbilled account receivables from successfully complete jobs as mentioned above.

• **Ratio of total assets to shareholders' equity** This ratio shows the level of use of debts. For the year 2013, the ratio of total assets to shareholders' equity was equal to 5.16 times (2012: 5.71 times) and less than the previous year, because the group has capacity in control debt turnover by completed jobs from unbilled account receivables and received cash refund from Revenue Department in part of withholding tax on the payment during the year.

• **Net profit margin** The increase in net profit margin was primarily a direct impact on the increasing current year return on equity.

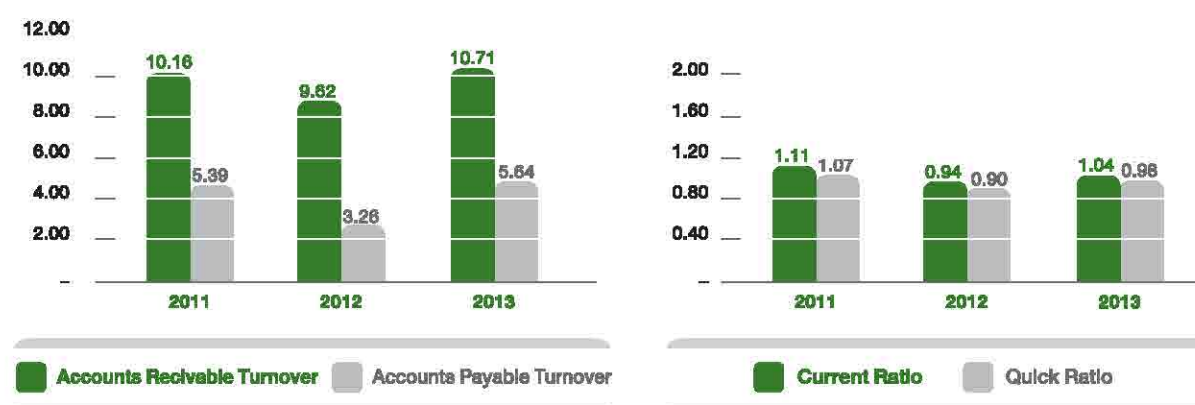


Financial Positions

As at 31 December 2013, the Group has cash and cash equivalents and short-term investments amounting to Baht 204.09 million which was 29.55% of total assets (2012: Baht 236.03 million which was 29.32% of total assets), decreased from the previous year by Baht 31.94 million or 13.53%. This decrease came from cash inflow from operation by payment to account payables and completed jobs as mentioned.

The evaluation of assets quality was no impairment and there has been sufficient allowance for doubtful account and continuous debt pursuing. The approximate collection period was 30-50 days while the Group's credit line for clients was approximately 30 days. Notes to Financial Statements for the year 2013, no. 5 provides more details in the above.

The Group's liquidity can be considered by current ratio and quick ratio. In the year 2013, both ratios increased compared with the previous year. The main factor was decreasing in total current liabilities as the group made payment to account payables. The group has current ratio was 1.04 times (2012: 0.94 times) and Quick ratio was 0.98 times (2012: 0.90 times).



Capital Resources

The Group's debt to equity ratio for the year 2013 was 4.16 times (2012: 4.71 times). Capital resource can be analyzed as below.

The Group's debt mainly comes from its operations and is mostly non-interest bearing debt. Trade accounts payable and other payables amounting to Baht 220.64 million, which was 39.62% of total liabilities (2012: Baht 370.90 million, which was 55.87% of total liabilities) has decreased by Baht 150.25 million or 40.51%. On the other hand, advances received from clients of Baht 248.41 million or 44.61% of total liabilities (2012: Baht 234.82 million which was 35.37% of total liabilities) has increased by Baht 13.59 million or 5.78% and accrued cost of Baht 10.37 million or 1.86% of total liabilities (2012: Baht 10.89 million which was 1.64% of total liabilities) has decreased by Baht 0.51 million or 4.70%.

From the normal course of advertising business, when the Company received an advertising projects from clients, there will be carry out some works in respect of the projects to its specialists. In this regard, the Company has to make the payment prudently. As soon as advertising projects have been done, the Company can bill and collect its debts from clients. The balance of current liabilities is higher than other industries. The said current liabilities included trade creditors and amounts due to related companies in a high proportion. By determining the debts structure in the term of current liabilities and non-current liabilities, it will be indicated that current liabilities is relatively high because the nature of the advertising business operations requires high working capital.

However, current liabilities are mostly held for working capital which is 72.95% of total assets. The debt to equity ratio, considered especially interest bearing debts, was 0.06 times for the current year (2012: 0.06 times). Thus, this showed that the group's financial leverage was low.

Cash Flows

The Groups' cash flow consists of the net cash flow from (used in) the following activities.

(Unit : Baht Million)

	2013	2012	2011
Cash flow from operating activities	(44.44)	77.19	25.47
Cash flow from investing activities	18.32	(35.31)	18.26
Cash flow from financing activities	(9.37)	1.10	(9.90)
Net	(35.49)	42.98	33.84
Decrease in translation adjustments	3.55	(0.50)	(0.65)
Net cash increase (decrease)	(31.94)	42.47	33.19

• Cash Flows from Operations

During the current year, net cash flow used in operating activities was Baht 44.44 million (2012: net cash flow by operating activities was Baht 77.19 million). This cash came from the profit for the year adjusted by non-cash items of which are depreciation and amortization of Baht 9.97 million, provision for long-term employee benefits of Baht 8.86 million and finance cost of Baht 1.76 million. On the other hand, there was the decrease in adjusted reversal on provision of doubtful accounts Baht 8.79 million, interest income and dividend income of Baht 3.89 million and deferred income tax expenses Baht 6.27 million. As a consequence, it represents the increase in cash flow of Baht 11.08 million.

Furthermore, operating cash flows from net working capital amounting to Baht 70.33 million. It included the increasing operating assets of Baht 54.42 million, which was the source of fund the increasing operating liabilities of Baht 124.75 million, which was the use of fund. Therefore, net working capital was the source of cash flow from the operations.

• Capital Expenditures

Since the line of business of the Group is service providing, most of capital expenditures are for the replacement of deteriorated assets or maintenance for more efficiency and investing by setting up new companies and business joint venture with a famous company in advertising business. During the current year, the Group has net cash flow by investing activities amounting to Baht 18.32 million, as a result received payment from loan to other company.

Audit Fee

In the year 2013, the Company paid for audit fee to A.M.T. & Associates as the following details:

Name of Company	Name of Auditor	Audit Fee
Chuo Senko (Thailand) Public Co., Ltd	Mr. Chaiyuth Angsuwithaya	1,600,000
Total remuneration		1,600,000



Board of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for the consolidated financial statements of Chuo Senko (Thailand) Public Company Limited and its subsidiaries and the company financial statements of Chuo Senko (Thailand) Public Company Limited, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, on consistent basis, using careful judgment and their best estimation. Important information is adequately and transparently disclosed in the note to financial statements to the Company's shareholders and investors.

The Board of Directors has provided and maintained a risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, with integrity and adequate to protect its assets and uncover weaknesses in order to prevent fraud or materially irregular operation.

In this regard, the Audit Committee is responsible for reviewing the accounting policy and financial reports, internal controls, internal audit and risk management systems. Comments on these issues have been included in the Audit Committee Report which is presented in this annual report.

The consolidated financial statements of the Company and its subsidiaries and the company financial statements have been examined by an external auditor, A.M.T. & Associates Limited. In conducting their audit and to express an opinion in accordance with generally accepted auditing standards, the Company has supported them with all of the Company's records and related data. The auditor's opinion is presented in the auditor's report as part of this annual report.

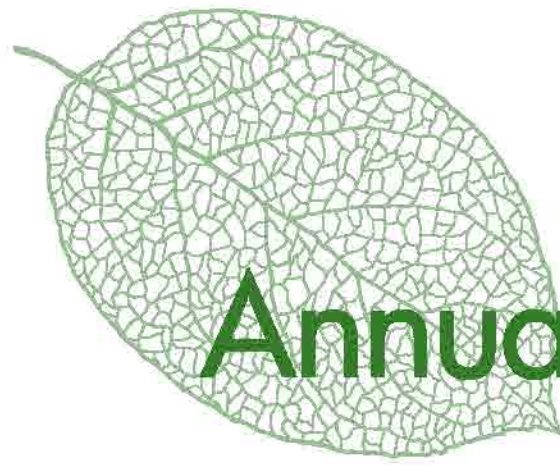
The Board of Directors believes that the Company's overall internal control system has functioned up to a satisfactory level and rendered credibility and reliability to the consolidated financial statements of Chuo Senko (Thailand) Public Company Limited and its subsidiaries and the company financial statements of Chuo Senko (Thailand) Public Company Limited for the year ended 31 December 2013, that they have been prepared according to generally accepted accounting principles and related regulations.



(Mr. Katsuyuki Mizumachi)
Chairman



(Mr. Shuji Okawa)
President & CEO



Annual Report 2013



Audit Committee Report

The Committee had performed according to the assignment from the Board of Directors. The Committee conducted as independent. The Committee has focused on the good corporate governance, including duties as assigned, trustful, reliable, fair, audited or certified, balance for the benefit which not only shareholders but also to employees and other stakeholders.

In 2013, the Committee convened 4 meetings, the summary of attendance of Audit Committee members as follows:

Name	Position	Regular Meeting
1. Mr.Wirash Kanchanapibul	Chairman	4/4
2. Mr.Teetitorn Chullaprahm	Member	3/4
3. Mr.Gurdaib Signh	Member	3/4

Major activities performed by the Committee were as follows:

- 1. Financial Statements:** Reviewed quarterly and annual financial statements for the year 2013, regarding the disclosure of significant information rendered by the Internal Audit Department, the External Auditor and the Management, to ensure the accuracy, reliability, and adequacy presented in accordance with the general accepted accounting principles.
- 2. Internal Control and Internal Audit:** Reviewed and assessing internal control and internal audit works and considering audit findings or issues raised by the external auditor and internal audit department. Assessing the independence of internal audit department and approving audit plan, key performance indicators of auditing, reviewed and acknowledged internal audit result, followed up management actions and progresses of internal and external audit findings and recommendations and reviewed and updated the Internal Audit Charter. As well as to approve the appointment, employment, evaluation of the internal audit staff. The Committee opines that the Company's internal control and internal audit function are appropriate and effective.
- 3. Regulatory Compliance:** Reviewed that the efficiency abided by the SEC and SET rules and regulations, other related laws, the Company's good corporate governance and Code of Ethics Policies, through coordination with Management and Internal Audit Department. The Committee opines that the Company properly follows all necessary rules and regulations as imposed by regulatory authorities.
- 4. External Auditor (CPA):** Considered and recommended the appointment of external auditor and their audit fee for the year 2013. The Committee, in coordination with the Internal Audit Department and the Management, considered the independence and the qualities of the audit skill and recommended to appointment Mr. Chaityuth Angsuwithaya, Certified Public Accountant No. 3885 of A.M.T. & Associates Limited as the external auditor. For the year 2013, the Committee convened without the Board of Directors 1 meeting with our external auditor.
- 5. Related Parties Transaction and Conflicts of Interests:** Reviewed and assessed related party transactions or transactions that may lead to conflicts of interest transactions to ensure conformity with SET's regulation and related regulations. The Committee agrees with the external auditor that the transactions were either conducted in a normal course of business operation or justified for the best interest of the Company. In addition, related disclosures were in compliance with the corporate governance and related party transaction policy.

6. **Corporate Government Policy:** Reviewed and assessed the appropriateness of the Company's corporate governance policy and code of conducts.
7. **Self Assessment:** Conducted the Audit Committee self assessment on its composition, qualification, activities in compliance, authority, and the independence that the Committee has adequately completed its duty as assigned by the Board of Directors.

As the result of the above obligations, the Committee agreed that in general, the internal control of the Company was adequate, fairly established and appropriate to the Company's business. There also was no significant weakness of internal control which would affect the accuracy and reliability of financial statements and the efficiency and effectiveness to achieve the business goals. In addition, there was adequate of internal control for validate the related party transactions with Major Shareholders, Directors, Management or other related persons. The Committee and the Management recognized the importance of good corporate governance, internal control, accurate and reliable accounting and financial reporting, together with compliance with the laws, the rules or announcements of the SET and regulation related to the Company's business.

On behalf of the Audit Committee



Mr. Wirash Kanchanapibul
Chairman of Audit Committee
25 February 2014



Auditor's Report

Independent Auditor's Report

To The Shareholders and Board of Directors of Chuo Senko (Thailand) Public Co., Ltd.

(1) I have audited the accompanying consolidated financial statements of Chuo Senko (Thailand) Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2013, the related consolidated statements of changes in shareholders' equity, consolidated comprehensive income and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. I have also audited the separate financial statements for the same period of Chuo Senko (Thailand) Public Company Limited.

(2) Management's Responsibility for the Financial Statements

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

(3) 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 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.

(4) Opinion

In my opinion, the financial statements present fairly, in all material respects, the consolidated financial position of Chuo Senko (Thailand) Public Company Limited and its subsidiaries as of December 31, 2013, and the result of their operations and their cash flows for the year then ended and the financial position of Chuo Senko (Thailand) Public Company Limited as of December 31, 2013, the results of its operations and its cash flows for the year then ended in accordance with financial reporting standards.

(5) Other matter

The consolidated financial statements of Chuo Senko (Thailand) Public Company Limited and its subsidiaries and the separate financial statements of Chuo Senko (Thailand) Public Company Limited for the year ended December 31, 2012 audited by other auditor in accordance with auditing standards, and expressed an unqualified opinion on those statements in her report dated February 22, 2013



(Chaithuth Angsuwithaya)

Certified Public Accountant, Registration No. 3885

A.M.T. & ASSOCIATES, Bangkok, Thailand

February 25, 2014

Financial Statements

Chuo Senko (Thailand) Public Company Limited and its subsidiaries

Statements of financial position

As of December 31, 2013

(Unit : Baht)

Assets	Note	Consolidated financial statement			Separated financial statement		
		December 31, 2013	December 31, 2012 (Restated)	January 1, 2012 (Restated)	December 31, 2013	December 31, 2012 (Restated)	January 1, 2012 (Restated)
Current Assets							
Cash and cash equivalents	3	204,090,255.30	236,034,535.29	193,563,424.00	155,187,293.72	190,122,833.64	159,378,702.00
Short - term investments	4	17,601,762.78	17,207,005.94	16,785,152.00	17,601,762.78	17,207,005.94	16,785,152.00
Trade and other receivables							
Trade receivables - net - others	5.1	134,937,478.63	136,096,914.33	118,232,162.00	70,296,820.04	61,262,728.04	25,506,255.00
- related companies	2.1	-	-	-	1,966,418.97	5,607,673.18	16,170,471.00
Unbilled receivables		121,343,856.40	166,995,894.71	67,041,491.00	57,412,115.71	121,174,509.34	64,192,282.00
Other receivables - others	5.2	14,341,765.17	12,185,794.30	7,312,058.96	2,821,018.19	1,067,256.02	4,111,070.14
- related companies	2.2	-	-	-	10,292,682.25	2,202,485.31	1,617,509.00
Current portion of long-term loans to - related parties	2.3	987,600.00	780,823.91	598,500.00	20,498,280.00	19,035,120.00	1,198,500.00
Current portion of long-term loans to - other company	9	15,401,475.76	7,621,762.35	-	-	-	-
Other current assets	6	14,543,625.18	16,181,814.60	9,771,279.04	6,351,150.32	18,072,810.59	7,459,768.86
Total current assets		523,247,819.22	593,104,545.43	413,304,067.00	342,427,541.98	435,752,422.06	296,419,710.00
Non-current assets							
Advance payments for investment in - associated company		-	1,308,456.96	-	-	1,308,456.96	-
Investment in subsidiary - net	7.1	-	-	-	63,776,828.41	58,006,761.00	36,326,087.00
Other long-term investments	8	1,503,125.00	1,381,250.00	1,986,250.00	1,503,125.00	1,381,250.00	1,986,250.00
Investment in convertible bond of - associated company	7.2	-	-	-	13,982,496.19	-	-
Long-term loans to related parties	2.3	892,780.95	790,400.00	820,950.00	892,780.95	19,081,820.00	820,950.00
Long-term loans to other company	9	-	28,972,878.37	-	-	-	-
Equipment - net	10	24,210,844.46	23,075,879.47	18,430,636.00	18,922,509.80	20,261,867.28	15,858,314.00
Intangible assets - net	11	1,900,818.47	1,975,528.25	1,764,166.00	1,829,240.70	1,765,750.94	1,388,545.00
Deferred income tax assets	16.4	14,543,413.80	8,276,844.42	10,310,189.00	14,543,413.80	8,276,844.42	10,310,189.00
Other non-current assets							
Restricted bank deposits		54,500,000.00	54,500,000.00	54,500,000.00	54,500,000.00	54,500,000.00	54,500,000.00
Withholding income tax		59,885,924.16	82,126,758.74	48,110,862.00	58,934,047.98	81,545,343.55	47,446,942.00
Others		10,035,381.66	9,405,802.46	8,619,753.00	7,694,590.47	7,604,827.59	7,621,192.00
Total non-current assets		167,472,288.50	211,813,798.67	144,542,806.00	236,579,033.30	253,732,921.74	176,258,469.00
Total assets		690,720,107.72	804,918,344.10	557,846,873.00	579,006,575.28	689,485,343.80	472,678,179.00

The accompanying notes to financial statements are an integral part of these financial statements.



Liabilities and shareholders' equity	Note	Consolidated financial statement			Separated financial statement		
		December 31, 2013	December 31, 2012 (Restated)	January 1, 2012 (Restated)	December 31, 2013	December 31, 2012 (Restated)	January 1, 2012 (Restated)
Current Liabilities							
Trade and other payables							
Trade payables - others		201,369,864.64	347,440,326.52	203,409,324.00	114,105,019.43	268,794,546.23	145,064,773.00
- related companies	2.4	-	-	-	735,591.83	55,584.16	-
Other payables - others	12	19,273,744.02	23,456,895.23	-	9,270,746.56	8,521,091.73	-
- related companies	2.5	-	-	-	1,470,680.99	6,395,991.89	-
Advances received from customers		248,413,593.70	234,823,241.57	138,839,976.00	241,927,468.67	228,313,594.69	136,163,628.00
Accrued costs		10,374,947.10	10,887,027.35	13,490,446.00	2,046,281.12	10,795,787.76	2,262,403.00
Current portion of liabilities under financial -							
lease agreements	14	2,421,412.95	2,068,189.68	483,079.00	1,748,732.97	2,068,189.68	483,079.00
Corporate income tax payable		589,050.20	879,674.87	50,458.00	-	-	-
Other current liabilities	13	21,426,410.97	12,508,667.29	16,365,946.00	11,476,758.61	9,842,988.24	9,567,009.00
Total current liabilities		503,869,023.58	632,064,022.51	372,639,229.00	382,781,280.18	534,787,774.38	293,540,892.00
Non-current Liabilities							
Convertible Bond	7.2	400,222.86	-	-	-	-	-
Liabilities under financial lease agreements - net	14	6,265,534.10	5,840,896.54	647,084.00	5,647,606.32	5,840,896.54	647,084.00
Employee benefit obligations	15	40,589,068.99	20,256,221.00	16,242,856.00	40,589,068.99	20,256,221.00	16,242,856.00
Provision for long-term demolition		4,000,000.00	4,000,000.00	3,956,386.00	4,000,000.00	4,000,000.00	3,956,386.00
Deferred income tax liabilities	16.4	340,722.16	237,395.80	138,025.10	340,722.16	237,395.80	138,025.10
Other non-current liabilities		1,397,100.01	1,449,473.36	2,231,721.00	41,807.21	51,278.36	50,630.00
Total non-current liabilities		52,992,648.12	31,783,986.70	23,216,072.10	50,619,204.68	30,385,791.70	21,034,981.10
Total liabilities		556,861,671.70	663,848,009.21	395,855,301.10	433,400,484.86	565,173,566.08	314,575,873.10
Shareholders' Equity							
Share capital - Baht 5 each	22						
Registered							
Ordinary share 11,250,000 shares		56,250,000.00	56,250,000.00	56,250,000.00	56,250,000.00	56,250,000.00	56,250,000.00
Issued and paid up							
Ordinary share 11,250,000 shares		56,250,000.00	56,250,000.00	56,250,000.00	56,250,000.00	56,250,000.00	56,250,000.00
Premium on capital share		24,712,500.00	24,712,500.00	24,712,500.00	24,712,500.00	24,712,500.00	24,712,500.00
Retained earnings							
Appropriated - Legal reserve		5,625,000.00	5,625,000.00	5,625,000.00	5,625,000.00	5,625,000.00	5,625,000.00
Unappropriated		52,838,296.13	52,454,066.20	79,669,268.00	57,655,701.57	36,774,694.35	70,962,705.00
Other components of equity		(5,144,676.44)	(6,233,739.63)	(6,158,694.10)	1,362,888.85	949,583.37	552,100.90
Total Equity of the parent		134,281,119.69	132,807,826.57	160,098,073.90	145,606,090.42	124,311,777.72	158,102,305.90
Non - controlling interests		(422,683.67)	8,262,508.32	1,893,498.00	-	-	-
Total shareholders' equity		133,858,436.02	141,070,334.89	161,991,571.90	145,606,090.42	124,311,777.72	158,102,305.90
Total Liabilities and Shareholders' Equity		690,720,107.72	804,918,344.10	557,846,873.00	579,006,575.28	689,485,343.80	472,678,179.00

Chuo Senko (Thailand) Public Company Limited and its subsidiaries
 Statements of changes in shareholders' equity
 For the year ended December 31, 2013

(Unit : Baht)

Consolidated financial statement	Notes	Issued and paid - up share capital	Premium on capital share	Retained earnings (Deficit)		Other components of equity				Total equity attributable to owners of the Company	Non Controlling Interest	Total
				Appropriated Legal reserve	Unappropriated	Other comprehensive income (loss)						
						Exchange differences on translation of financial statements	Gain (loss) on actuarial assumptions	Gain (loss) on changes in value of available -for-sale investments	Total other components of shareholders' equity			
Balance as of January 1, 2012		56,250,000.00	24,712,500.00	5,625,000.00	69,359,079.00	(6,710,795.00)	-	690,126.00	(6,020,669.00)	149,925,910.00	1,893,498.00	151,819,408.00
Effect of changes in accounting policy -												
Income tax	1.7	-	-	-	10,310,189.00	-	-	(138,025.10)	(138,025.10)	10,172,163.90	-	10,172,163.90
Balance of January 1, 2012, restated		56,250,000.00	24,712,500.00	5,625,000.00	79,669,268.00	(6,710,795.00)	-	552,100.90	(6,158,694.10)	160,098,073.90	1,893,498.00	161,991,571.90
Changes in equity for the year												
Share increase		-	-	-	-	-	-	-	-	-	-	-
Comprehensive income (loss) - for the year		-	-	-	(23,840,201.80)	(472,528.00)	-	397,482.47	(75,045.53)	(23,915,247.33)	(561,205.00)	(24,476,452.33)
Non controlling interest increase - from investment in a subsidiary		-	-	-	-	-	-	-	-	-	8,637,167.00	8,637,167.00
Non controlling interest decrease - from disposal of investment - in a subsidiary		-	-	-	-	-	-	-	-	-	(1,706,951.68)	(1,706,951.68)
Dividend payment		-	-	-	(3,375,000.00)	-	-	-	-	(3,375,000.00)	-	(3,375,000.00)
Balance as of December 30, 2012		56,250,000.00	24,712,500.00	5,625,000.00	52,454,066.20	(7,183,323.00)	-	949,583.37	(6,233,739.63)	132,807,825.57	8,262,508.32	141,070,334.89
Balance as of January 1, 2013		56,250,000.00	24,712,500.00	5,625,000.00	44,177,222.00	(7,183,323.00)	-	1,186,979.17	(5,996,343.83)	124,768,378.17	8,262,508.32	133,030,886.49
Effect of changes in accounting policy -												
Income tax	1.7	-	-	-	8,276,844.20	-	-	(237,395.80)	(237,395.80)	8,039,448.40	-	8,039,448.40
Balance of January 1, 2013, restated		56,250,000.00	24,712,500.00	5,625,000.00	52,454,066.20	(7,183,323.00)	-	949,583.37	(6,233,739.63)	132,807,825.57	8,262,508.32	141,070,334.89
Changes in equity for the year												
Share increase		-	-	-	-	-	-	-	-	-	-	-
Non-controlling interest		-	-	-	-	-	-	-	-	-	2,030,598.44	2,030,598.44
Comprehensive income (loss) - for the year		-	-	-	18,859,267.93	675,757.71	(15,100,038.00)	413,305.48	(14,010,974.81)	4,848,293.12	(10,715,790.43)	(5,867,497.31)
Transfer to Unappropriated - retained earnings		-	-	-	(15,100,038.00)	-	15,100,038.00	-	15,100,038.00	-	-	-
Dividend Paid	23	-	-	-	(3,375,000.00)	-	-	-	-	(3,375,000.00)	-	(3,375,000.00)
Balance as of December 30, 2013		56,250,000.00	24,712,500.00	5,625,000.00	52,838,298.13	(6,507,585.29)	-	1,382,888.85	(5,144,876.44)	134,281,118.89	(422,883.87)	133,858,235.02

The accompanying notes to financial statements are an integral part of these financial statements.



Chuo Senko (Thailand) Public Company Limited and its subsidiaries
 Statements of changes in shareholders' equity
 For the year ended December 31, 2013

(Unit : Baht)

Separated financial statement	Notes	Issued and paid – up share capital	Retained earnings (Deficit)			Other components of equity			Total shareholders' equity	Total
			Premium on capital share	Appropriated Legal reserve	Unappropriated	Other comprehensive Income (loss)				
						Gain (loss) on actuarial assumptions	Gain (loss) on changes in value of available-for-sale investments	Total other components of shareholders' equity		
Balance as of January 1, 2012		56,250,000.00	24,712,500.00	5,625,000.00	60,652,516.00	–	690,126.00	690,126.00	147,930,142.00	147,930,142.00
Effect of changes in accounting policy -										
Income tax	1.7	–	–	–	10,310,189.00	–	(138,025.10)	138,025.10	10,172,163.90	10,172,163.90
Balance of January 1, 2012, restated		56,250,000.00	24,712,500.00	5,625,000.00	70,962,705.00	–	552,100.90	552,100.90	158,102,305.90	158,102,305.90
Changes in equity for the year										
Share increase		–	–	–	–	–	–	–	–	–
Comprehensive income (loss) -										
for the year		–	–	–	(30,813,010.65)	–	397,482.47	397,482.47	(30,415,528.18)	(30,415,528.18)
Dividend payment		–	–	–	(3,375,000.00)	–	–	–	(3,375,000.00)	(3,375,000.00)
Balance as of December 30, 2012		56,250,000.00	24,712,500.00	5,625,000.00	36,774,694.35	–	949,583.37	949,583.37	124,311,777.72	124,311,777.72
Balance as of January 1, 2013		56,250,000.00	24,712,500.00	5,625,000.00	28,497,850.15	–	1,186,979.17	1,186,979.17	116,272,329.32	116,272,329.32
Effect of changes in accounting policy -										
Income tax	1.7	–	–	–	8,276,844.20	–	(237,395.80)	(237,395.80)	8,039,448.40	8,039,448.40
Balance of January 1, 2013, restated		56,250,000.00	24,712,500.00	5,625,000.00	36,774,694.35	–	949,583.37	949,583.37	124,311,777.72	124,311,777.72
Changes in equity for the year										
Share increase		–	–	–	–	–	–	–	–	–
Non-controlling interest		–	–	–	–	–	–	–	–	–
Comprehensive income (loss) -										
for the year		–	–	–	39,356,045.22	(15,100,038.00)	413,305.48	(14,686,732.52)	24,669,312.70	24,669,312.70
Transfer to Unappropriated -										
retained earnings		–	–	–	(15,100,038.00)	15,100,038.00	–	15,100,038.00	–	–
Dividend Paid	23	–	–	–	(3,375,000.00)	–	–	–	(3,375,000.00)	(3,375,000.00)
Balance as of December 30, 2013		56,250,000.00	24,712,500.00	5,625,000.00	57,655,701.57	–	1,362,888.85	1,362,888.85	145,606,090.42	145,606,090.42

The accompanying notes to financial statements are an integral part of these financial statements.

(Unit : Baht)

Notes	Consolidated financial statement		Separated financial statement	
	2013	2012	2013	2012
Revenue		(Restated)		(Restated)
Commission and services income	379,775,170.02	321,078,025.49	280,974,590.03	236,785,652.19
Gain on sales of fixed assets	1,038,825.33	-	1,036,575.33	586,433.68
Management Fee	-	-	18,763,277.63	-
Other income	6,981,605.25	10,098,981.45	5,055,139.97	7,723,664.08
Total revenues	2.6 387,795,600.60	331,177,006.94	305,829,582.96	245,095,749.95
Expenses				
Cost of sales and services	143,617,810.55	146,352,024.10	105,267,965.65	113,810,858.28
Administrative expenses	238,354,802.65	202,732,034.69	165,712,541.82	158,599,371.02
Loss on sales of fixed assets	424,923.65	1,343,831.94	-	-
Financial costs	1,764,622.08	1,759,700.21	1,759,599.87	1,465,186.94
Total expenses	2.6 384,162,158.93	352,187,590.94	272,740,107.34	273,875,416.24
Profit (loss) before income tax	3,633,441.67	(21,010,584.00)	33,089,475.62	(28,779,666.29)
Income tax expense (income)	16.1 (4,510,035.83)	3,390,822.80	(6,266,569.60)	2,033,344.36
Net profit (loss) for the periods	8,143,477.50	(24,401,406.80)	39,356,045.22	(30,813,010.65)
Comprehensive income (loss) for the years				
Exchange differences on translation of - financial statements	675,757.71	(472,528.00)	-	-
Gain (loss) on actuarial assumptions	(15,100,038.00)	-	(15,100,038.00)	-
Gain (loss) on changes in value of - available-for-sale investments	413,305.48	397,482.47	413,305.48	397,482.47
Other comprehensive income (loss) for the years	(14,010,974.81)	(75,045.53)	(14,686,732.52)	397,482.47
Total comprehensive income (loss) for the years	(5,867,497.31)	(24,476,452.33)	24,669,312.70	(30,415,528.18)
Net profit (loss) attributable to				
Owners of the parent	18,859,267.93	(23,840,201.80)	39,356,045.22	(30,813,010.65)
Noncontrolling interest	(10,715,790.43)	(561,205.00)	-	-
Total comprehensive income (loss) - attributable to				
Owners of the parent	4,848,293.12	(23,915,247.33)	24,669,312.70	(30,415,528.18)
Noncontrolling interest	(10,715,790.43)	(561,205.00)	-	-
Basic Earning (Loss) Per Share				
Earnings (loss) per share of the Equity - holders of the parent	1.68	(2.12)	3.50	(2.74)
Number of weighted average ordinary - shares (share)	11,250,000	11,250,000	11,250,000	11,250,000

The accompanying notes to financial statements are an integral part of these financial statements.



(Unit : Baht)

Notes	Consolidated financial statement		Separated financial statement	
	2013	2012	2013	2012
Cash Flows From Operating Activities :		(Restated)		(Restated)
Total income (loss) for the years	8,143,477.50	(24,401,406.80)	39,356,045.22	(30,813,010.65)
Adjustments to reconcile comprehensive net profit (loss) - to net cash provided by (used in) operating activities				
Depreciation and amortization 10 , 11	9,965,029.38	8,607,721.00	8,976,849.13	7,850,598.91
Provision for doubtful accounts 5.1, 2.2, 2.3	(8,792,243.42)	119,781.12	(14,205,300.52)	8,076,893.28
Reversal of impairment loss on other assets	-	(6,713,300.00)	-	(6,713,300.00)
Loss on sales of other assets	-	3,097,460.00	-	3,097,460.00
Reversal of impairment loss on investment in subsidiary	-	-	-	(19,859,061.70)
Loss from impairment of investment in subsidiary	-	-	-	23,663,610.36
Loss (gain) on fixed assets disposal	(459,297.61)	2,311,928.37	(992,744.64)	674,513.04
Loss (gain) on other long-term investments	-	167,695.00	-	167,695.00
Employee benefits 15	8,858,344.00	5,778,395.00	8,858,344.00	5,778,395.00
Unrealized loss (gain) on exchange rate	-	-	(1,742,850.00)	7,165.95
Dividend Receive	(37,500.00)	(26,250.00)	(37,500.00)	(26,250.00)
Interest income	(3,850,324.41)	(3,501,920.00)	(3,410,466.10)	(3,212,827.70)
Financial costs	1,764,622.08	1,759,700.21	1,759,599.87	1,465,186.94
Income tax expenses 16.1	1,756,533.77	1,357,478.44	-	-
Deferred income tax expenses (income) 16.1	(6,266,569.60)	2,033,344.36	(6,266,569.60)	2,033,344.36
Net income from operations before - changes of operating assets and liabilities	11,082,071.69	(9,409,373.30)	32,295,407.36	(7,809,587.21)
Changes in operating assets and liabilities				
Decrease (increase) in operating assets				
Trade and other receivables	7,763,074.15	(21,712,581.14)	(1,431,495.53)	(29,138,002.90)
Unbilled receivables	45,652,038.38	(99,954,403.78)	63,762,393.63	(56,982,227.34)
Other current assets	1,638,189.42	(9,107,337.65)	11,721,660.27	(11,158,347.34)
Other non-current assets	(629,579.05)	(786,049.60)	(89,763.34)	16,364.87
Increase (decrease) in operating liabilities;				
Trade and other payables	(147,465,009.29)	167,487,897.73	(151,508,682.62)	132,700,828.01
Advances received from customers	14,508,328.61	95,983,265.07	14,531,850.64	92,149,966.01
Accrued costs	(657,900.35)	(2,603,418.65)	(8,895,326.74)	8,533,384.76
Other current liabilities	8,917,743.68	(3,857,278.67)	1,633,770.37	275,979.24
Other non-current liabilities	(52,373.35)	(782,249.00)	(9,471.15)	648.24
Cash receipt (payment) in operating activities	(59,243,416.11)	115,258,471.01	(37,989,657.11)	128,589,006.34
Payment of employee benefits	(4,688,311.01)	(2,538,016.67)	(4,688,311.01)	(2,538,016.67)
Interest paid	(701,845.08)	(943,099.56)	(696,822.87)	(648,586.29)
Refunded withholding tax	47,446,942.26	-	47,446,942.26	-
Income taxes paid	(27,253,266.12)	(34,591,199.00)	(24,835,646.69)	(34,098,401.29)
Net cash provided by (used in) operating activities	(44,439,896.06)	77,186,155.78	(20,763,495.42)	91,304,002.09

The accompanying notes to financial statements are an integral part of these financial statements.

(Unit : Baht)

		Consolidated financial statement		Separated financial statement	
		2013	2012	2013	2012
Notes					
Cash Flows From Investing Activities :			(Restated)		(Restated)
Acquisition of intangible assets	11	(1,225,943.26)	(1,464,373.59)	(1,147,450.00)	(1,464,373.59)
Acquisition of equipment	10	(8,897,095.89)	(5,928,668.28)	(6,482,558.30)	(3,203,097.25)
Proceeds from sale of equipment	10	6,537,631.92	884,595.76	6,582,192.53	597,009.56
Proceeds from sales of other assets		-	5,184,000.00	-	5,184,000.00
Increase in loans to other parties		-	(36,594,640.72)	-	-
Payments of loan to related persons and parties	2.3	-	(1,308,456.96)	-	(1,308,456.96)
Advance payment to related parties		(1,247,888.22)	(1,026,123.91)	(1,150,764.31)	(43,096,430.16)
Receive of loan repayments from others		938,731.18	874,350.00	19,619,493.36	4,440,441.55
Increase in investment in subsidiaries		18,292,229.64	-	-	-
Cash received from the return of capital - from subsidiary		-	-	-	10,116,390.00
Investment in convertible bond of - associated company	7.3	-	-	(13,982,496.19)	-
Dividend receive		37,500.00	26,250.00	37,500.00	26,250.00
Acquisition of investment in subsidiaries	7.1	-	-	(5,949,979.91)	(29,600,000.00)
Payment to share subscription payable	2.5	-	-	(5,821,700.00)	-
Proceeds from sale of other long-term investments		-	512,305.00	-	512,305.00
Proceeds from interest received		3,882,958.44	3,531,918.50	3,810,465.25	3,067,578.18
Net cash provided by (used in) investing activities		18,318,123.81	(35,308,844.20)	(4,485,297.57)	(54,728,383.67)
Cash Flows From Financing Activities					
Convertible Bond	8	400,222.86	-	-	-
Dividend paid	22	(3,375,000.00)	(3,375,000.00)	(3,375,000.00)	(3,375,000.00)
Cash received from Noncontrolling interest - shareholders of new established subsidiary		-	6,930,215.67	-	-
Repayment of liabilities under financial - lease agreements	14	(6,394,872.19)	(2,456,486.78)	(6,311,746.93)	(2,456,486.78)
Net cash provided by (used in) financing activities		(9,369,649.33)	1,098,728.89	(9,686,746.93)	(5,831,486.78)
Effects of translation of financial statements		3,547,141.59	(504,929.18)	-	-
Increase (decrease) in cash and cash equivalents, net		(31,944,279.99)	42,471,111.29	(34,935,539.92)	30,744,131.64
Cash and cash equivalents, at beginning of periods		236,034,535.29	193,563,424.00	190,122,833.64	159,378,702.00
Cash and cash equivalents, at ending of periods		204,090,255.30	236,034,535.29	155,187,293.72	190,122,833.64
Activities Not Affecting Cash					
Increase in Equipments and Liabilities under - financial lease due to financial lease of equipment		6,951,028.76	-	5,660,421.00	-

The accompanying notes to financial statements are an integral part of these financial statements.



1. General Information

1.1 Corporate Information

Chuo Senko (Thailand) Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in providing media buying services and advertising production services. The registered office of the Company is at 622 Emporium Tower, 18th Floor, Sukhumvit Road, Kwang Klongton, Khet Klongtoey, Bangkok.

1.2 Basis For The Preparation Of Financial Statements

The financial statements of the company have been prepared in accordance with financial reporting standards including guidance promulgated by the Federation of Accounting Professional.

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

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the financial statements in Thai language shall prevail.

1.3 Basis For The Preparation Of Consolidated Financial Statements

The consolidated financial statements are consolidated the accounts of Chuo Senko (Thailand) Public Company Limited ("the Company") and the subsidiaries ("Group of companies" and "the Company and the subsidiaries") after eliminated significant balances of account and inter-company transactions.

1.4 Adoption Of New Financial Reporting Standards

1.4.1 Financial reporting standards which are effective for the current year

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which are effective for financial statements periods beginning on or after January 1, 2013 as follows;

- TAS 12 Income Taxes
- TAS 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates
- TFRS 8 Operation Segments

The adoptions of the above financial reporting standards in the current year do not have material effect on the financial statements except for those mentioned in the notes 1.7 to the financial statements.

1.4.2 Financial reporting standards which are not effective for the current year

Since year 2010 until the end of year 2013, the Federation of Accounting Professions has issued the revised and new accounting standard, financial reporting standards, accounting standard interpretation and financial reporting standard interpretations, which are effective for financial statements period beginning on or after January 1 in the year indicated as follows:

Accounting Standard	Year effective
TAS 1 Presentation of Financial Statements (revised 2012)	2014
TAS 12 Income Taxes (revised 2012)	2014
TAS 17 Leases (revised 2012)	2014
TAS 18 Revenue (revised 2012)	2014
TAS 24 Related Party Disclosures (revised 2012)	2014
TAS 28 Investments in Associates (revised 2012)	2014
TAS 31 Interests in Joint Venture (revised 2012)	2014
TAS 34 Interim Financial Reporting (revised 2012)	2014
Financial Reporting Standard	
TFRS 2 Share - Based Payments (revised 2012)	2014
TFRS 3 Business Combinations (revised 2012)	2014
TFRS 4 Insurance Contracts (revised 2012)	2016
TFRS 5 Non - current Assets Held for Sale and Discontinued Operations (revised 2012)	2014
TFRS 8 Operating Segments (revised 2012)	2014

Accounting Standard Interpretations		Year effective
TSIC 15	Operating Leases - Incentives	2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2014
TSIC 29	Service Concession Arrangements: Disclosures	2014
TSIC 32	Intangible Assets - Web Site Costs	2014
Financial Reporting Standard Interpretations		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangements contains a Lease	2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	2014
TFRIC 7	Applying the Restatement Approach under	
	TAS 29 Financial Reporting in Hyperinflationary Economies	2014
TFRIC 10	Interim Financial Reporting and Impairment	2014
TFRIC 12	Service Concession Arrangements	2014
TFRIC 13	Customer Loyalty Programmers	2014
TFRIC 17	Distributions of Non - cash Assets to Owners	2014
TFRIC 18	Transfers of Assets from Customers	2014

The management of the Company has assessed that TAS 1 (revised 2012), TAS 12 (revised 2012), TAS 17 (revised 2012), TAS 18 (revised 2012), TAS 24 (revised 2012), TAS 34 (revised 2012) and TFRS 8 (revised 2012) will not have material impact on the financial statements when it is applied. For the other TAS, TFRS, TSIC and TFRIC are not relevant to the Company's business, therefore they do not have impact on the financial statement when they are applied.

1.5 Summary Of Significant Of Accounting Policies

1.5.1 Revenue recognition

• Rendering of services

Service income is recognised when services are completed and invoiced. Service income is stated at the invoiced amount, excluding costs, output tax and discounts.

• Commission income

Commission income is recognised when media placements appeared and invoiced. Commission income is stated at the invoiced amount, after deducting costs.

• Interest income

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

• Dividends

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

1.5.2 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.

1.5.3 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.

1.5.4 Investments

a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method. The Company performs impairment reviews in respect of the investment whenever there is an indication that it may be impaired.

The weighted average method is used for computation of the cost of investments.



In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and their fair value on the date of reclassification are recorded in profit or loss or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

1.5.5 Building improvements and equipment/Depreciation

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

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

• Building improvements	6	years
• Furniture, fixtures and office equipment	3-5	years
• Vehicles	5	years
• Demolition costs	Term of lease	

Depreciation is included in determining income.

An item of building improvements and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

1.5.6 Intangible assets

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:

	Useful lives
• Computer software	3-10 years
• Patents	3 years
• Expenditure on acquired website fee	3 years

1.5.7 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 operations of the Company and its subsidiaries.

1.5.8 Long-term leases

Leases of buildings 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 other 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 asset.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

1.5.9 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

1.5.10 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the building improvements and equipment 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.

An impairment loss is recognised in profit or loss.

1.5.11 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 and other long-term employee benefits*

Defined contribution plans

The Company and 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 contributions of the Company and its subsidiaries are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefits plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans 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 and other long-term benefits are recognised immediately in other comprehensive income or loss.

1.5.12 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.

1.5.13 Income tax

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities at the reporting date and tax base of the relating assets and liabilities.

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

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.



1.6 Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments 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 judgment 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 judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of equity investments

The Company and its subsidiaries treat available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Building improvements and equipment / Depreciation

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

In addition, the management is required to review building improvements 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 judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

1.7 Effects On Change Of Accounting Policy

In the current period, the Company and its subsidiaries have changed the accounting policy of income tax by adopting the TAS 12 - Income tax, using a retrospective adjustments to the previous period financial statements using for comparative in the financial statements as if the Company and its subsidiaries have been recording the income tax and deferred income tax since before the change.

The monetary amount of the adjustments that affect the statement of positions as at December 31, 2012 and January 1, 2012 are as follows:

Consolidated financial statements	As at December 31, 2012			As at January 1, 2012		
	As previously reported	Effects from Change of Accounting policy	Restated	As previously reported	Effects from Change of Accounting policy	Restated
Assets						
Deferred income -						
tax assets - net	-	8,276,844.20	8,276,844.20	-	10,310,189.00	10,310,189.00
Shareholders' equities						
Retained earnings -						
Un appropriated	44,177,222.00	8,276,844.20	52,454,066.20	69,359,079.00	10,310,189.00	79,669,268.00

Separate financial statements	As at December 31, 2012			As at January 1, 2012		
	As previously reported	Effects from Change of Accounting policy	Restated	As previously reported	Effects from Change of Accounting policy	Restated
Assets						
Deferred income -						
tax assets - net	-	8,276,844.20	8,276,844.20	-	10,310,189.00	10,310,189.00
Shareholders' equities						
Retained earnings -						
Un appropriated	28,497,850.15	8,276,844.20	36,774,694.35	60,652,516.00	10,310,189.00	70,962,705.00

The monetary amount of the adjustments that affect the statements of income for the year ended December 31, 2012 are as follows:

For the year ended December 31, 2012	Consolidated financial statements			Separate financial statements		
	As previously reported	Effects from Change of Accounting policy	Restated	As previously reported	Effects from Change of Accounting policy	Restated
Income tax expense	(1,357,478.44)	(2,033,344.36)	(3,390,822.80)	-	(2,033,344.36)	(2,033,344.36)
Profit (loss) for the year	(22,368,062.44)	(2,033,344.36)	(24,401,406.80)	(28,779,666.29)	(2,033,344.36)	(30,813,010.65)
Earnings (loss) per share	(1.99)	(0.18)	(2.17)	(2.56)	(0.18)	(2.74)

The monetary amount of the adjustments that affect the comprehensive income statements for the year ended December 31, 2013 are as follows:

(Unit : Baht)

	Consolidated financial statement	Separate financial statement
Net Profit (loss) for the year before change accounting policy	1,876,907.90	33,089,475.62
Tax expense (Increase) Decrease	6,266,569.60	6,266,569.60
Net Profit (loss) for the year after change accounting policy	8,143,477.50	39,356,045.22
Increase in Net profit per share (Baht)	0.56	0.56



2. Related Party Transactions

Enterprises that directly, or indirectly control by the Company, or are under common shareholders / director controls are as follows:

Company	Type of business	Country of incorporation	Shareholding (%)	
			2013	2012
Be 1 Communications Co., Ltd. (Being in liquidation)	Production and advertising services	Thailand	51	51
Chuo Senko Vietnam Design Services One Member Co., Ltd.	Production and advertising services	Vietnam	100	100
Chuo Senko (Cambodia) Holding Co., Ltd.	Production and advertising services	Cambodia	100	100
JM Chuo Senko Sdn. Bhd. (Being in liquidation)	Production and advertising services	Malaysia	100	100
PT. Chuo Senko Consultant	Business management consulting services	Indonesia	99	99
Wonder Asia Co., Ltd.	Marketing and event services	Thailand	100	100
Chuo Senko Dynamics (ROH) Co., Ltd.	Regional operating headquarter	Thailand	82	82
RDSS Co., Ltd.	Shop decoration services	Thailand	100	100
Digital DNA Co., Ltd.	Online marketing services	Thailand	100	100
Chuo Senko Myanmar Pte.	Production and advertising services	Singapore	82	65
Tangram Associates Co., Ltd.	Product & Business - development consulting services	Thailand	60	-
Ad-Asia Company Limited - (100% held by Chuo Senko Dynamics (ROH) Co., Ltd.)	Production and advertising services	Thailand	82	82
Ad Asia Advertising (S) Pte Ltd. (100% held by Ad Asia Advertising (S) Pte Ltd)	Production and advertising services	Singapore	82	-
Chuo Senko Myanmar Co.,Ltd. - (100% held by Chuo Senko Myanmar Pte.)	Production and advertising services	Myanmar	82	-
Ad Asia Co.,Ltd. - (100% held by Ad Asia Advertising (S) Pte Ltd)	Production and advertising services	Myanmar	82	-
Town Page Co.,Ltd - (100% held by Chuo Senko Myanmar Pte.)	Production and advertising services	Myanmar	82	-
Chilli Advertising Co.,Ltd - (100% held by Ad Asia Advertising (S) Pte Ltd)	Production and advertising services	Myanmar	82	-
Red Bull Co.,Ltd - (100% held by Ad Asia Advertising (S) Pte Ltd)	Production and advertising services	Myanmar	82	-
Chuo senko India Advertising India Private Limited - (Under company's controlling)	Production and advertising services	India	46	-

The Company had certain accounting transactions with its subsidiaries. The separate financial statements have included the results of such transactions based on the agreements between the Company and the subsidiaries. These companies are related by shareholding by the Company and having joint management. The Company has pricing policy for the transactions based on general market prices or fair value for the price.

Balance of assets, liabilities, accounting and trading transactions with subsidiaries which are presented in the statements of financial position as at December 31, 2013 and 2012 are as follows

Assets

2.1 Trade Receivables

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Trade receivables - Subsidiaries	-	-	5,030,966.17	13,953,427.67
Less : Allowance for doubtful accounts	-	-	(3,064,547.20)	(8,345,754.49)
Net	-	-	1,966,418.97	5,607,673.18

Trade receivables of the Company and subsidiaries classified by aging of the receivables are as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Within credit terms	-	-	143,911.67	1,973,478.18
Overdue				
Less than 3 months	-	-	1,456,962.29	85,150.22
3 - 6 months	-	-	-	31,967.91
6 - 12 months	-	-	-	396,030.72
Over 12 months	-	-	3,430,092.21	11,466,800.64
Total	-	-	5,030,966.17	13,953,427.67
Less : Allowance for doubtful accounts	-	-	(3,064,547.20)	(8,345,754.49)
Net	-	-	1,966,418.97	5,607,673.18

2.2 Other Receivables

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Other receivables	-	-	11,416,552.47	3,960,310.65
Advance to subsidiary	-	-	-	-
Accrued interest receivable	-	-	-	-
Total	-	-	11,416,552.47	3,960,310.65
Less : Allowance for doubtful accounts	-	-	(1,123,870.22)	(1,757,825.34)
Net	-	-	10,292,682.25	2,202,485.31



2.3 Long-term Loan to Related Parties

(Unit : Baht)

Consolidated financial statements	Balance as at December 31, 2012	Increase during the year	Decrease during the year	Unrealized loss on exchange rate	Balance as at December 31, 2013	Agreement conditions
Directors and employees						
The Company	1,534,100.00	1,401,045.26	(1,150,764.31)	-	1,784,380.95	
Subsidiary	37,123.91	156,000.00	(97,123.91)	-	96,000.00	
Total	1,571,223.91	1,557,045.26	(1,247,888.22)	-	1,880,380.95	Company's policy
Less : Current portion	(780,823.91)				(987,600.00)	
Total long-term loan to related - person and parties - net	790,400.00				892,780.95	

(Unit : Baht)

Separate financial statements	Balance as at December 31, 2012	Increase during the year	Decrease during the year	Unrealized loss on exchange rate	Balance as at December 31, 2013	Agreement conditions
Subsidiaries						
JM Chuo Senko Sdn. Bhd.	5,000,000.00	-	(5,000,000.00)	-	-	Interest rate at 5% per annum. Monthly repayment schedule is Baht 0.25 million starts from January 2013.
PT. Chuo Senko Consultant	36,582,840.00	-	(18,719,010.00)	1,742,850.00	19,606,680.00	Interest rate at 3% per annum. Monthly repayment schedule is USD 0.3 million starts from September 2013.
Directors and employees	1,534,100.00	1,401,045.26	(1,150,764.31)	-	1,784,380.95	Company's policy
Total	43,116,940.00	1,401,045.26	(24,869,774.31)	1,742,850.00	21,391,060.95	
Less : Allowance for - doubtful accounts	(5,000,000.00)				-	
Total Long-term loan to related - related persons and parties	38,116,940.00				21,391,060.95	
Less : Current portion	(19,035,120.00)				(20,498,280.00)	
Total Long-term loan to related - related persons and parties - net	19,081,820.00				892,780.95	

Liabilities

2.4 Trade Payables

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
JM Chuo Senko Sdn. Bhd.	-	-	-	55,584.16
RDSS Co., Ltd.	-	-	149,800.00	-
Digital DNA	-	-	585,791.83	-
Total	-	-	735,591.83	55,584.16

2.5 Other Payables

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Payable on share subscription Myanmar (Singapore) Pte. Ltd	-	-	-	6,001,612.50
Chuo Senko Dynamics (ROH) Co., Ltd.	-	-	199,127.00	-
Chuo Senko (Vietnam) Design Services One Member Co.,Ltd	-	-	12,944.83	-
PT. Chuo Senko Consultant	-	-	1,258,609.16	394,379.39
Total	-	-	1,470,680.99	6,395,991.89

2.6 Significant Related Party Transactions For The Years Ended December 31, 2013 And 2012 As Follows:

(Unit : Thousand Baht)

For the years ended December 31,	Consolidated financial statements		Separate financial statements		Inter-companies pricing policy
	2013	2012	2013	2012	
Trading transactions with subsidiaries					
Commission and advertising production income	-	-	11,568	5,406	Cost plus marginal profit
Interest income	-	-	857	609	At rate 5% per annum
Consulting and management fees	-	-	18,763	-	At the agreed price
Service costs	-	-	9,706	419	Cost plus marginal profit of the subsidiaries
Consulting and management fee	-	-	1,117	-	At the agreed price
Other expense	-	-	1,158	486	At the agreed price
Trading transactions with related company					
Other Income	-	55	-	55	At the agreed price
Consulting and management fee	3,251	880	3,251	880	At the agreed price



2.7 Management Remunerations

The Company and its subsidiaries recorded remunerations for directors and the management for the years ended December 31, 2013 and 2012 as follow:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Benefits - Short-term	61,422,186.34	40,591,276.75	48,134,431.00	34,689,522.18
Benefits - After retirement	655,422.00	495,546.00	655,422.00	495,546.00
Benefits - Long-term	35,844.00	153,590.00	35,844.00	153,590.00
Total	62,113,452.34	41,240,412.75	48,825,697.00	35,338,658.18

3. Cash And Cash Equivalents

Cash and cash equivalents of the Company as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Cash on hand	1,339,383.44	204,855.32	80,000.00	80,000.00
Cash at banks	202,750,871.86	235,829,679.97	155,107,293.72	190,042,833.64
Total	204,090,255.30	236,034,535.29	155,187,293.72	190,122,833.64

Saving accounts and Current accounts carried interest at the floating rates set by the banks.

4. Short-term Investments

Short-term investments consisted of investment in available-for-sale securities, as of December 31, 2013 and 2012 consisted of;

(Unit : Baht)

Consolidated financial statements and Separate financial statements	December 31, 2013			December 31, 2012		
	Fair valu	Cost	Unrealized Gain (loss)	Fair valu	Cost	Unrealized Gain (loss)
Available-for-sale securities	17,601,762.78	16,443,776.77	1,157,986.01	17,207,005.94	16,443,776.77	763,229.17
Total short-term investments	17,601,762.78	16,443,776.77	1,157,986.01	17,207,005.94	16,443,776.77	763,229.17

5. Trade And Other Receivables

5.1 Trade Receivables - Net

Trade receivables - net, of the Company as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Trade receivable - Other parties	141,135,869.18	151,087,953.86	71,063,680.59	70,320,132.26
Less : Allowance for doubtful Accounts	(6,198,390.55)	(14,991,039.53)	(766,860.55)	(9,057,404.22)
Trade receivable - net	134,937,478.63	136,096,914.33	70,296,820.04	61,262,728.04

As at December 31, 2013 and 2012 the Company and its subsidiary have overdue accounts receivable which aging is as follows:
(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Within credit terms	76,965,328.32	94,547,968.29	32,267,897.95	37,173,273.38
Overdue				
Less than 3 months	55,731,208.65	36,327,642.59	36,554,858.48	22,931,733.08
3 to 6 months	1,019,104.59	3,575,123.72	1,019,104.92	512,117.34
6 to 12 months	193,777.53	291,609.93	118,306.25	115,774.00
Over 12 months	7,226,450.09	16,345,609.33	1,103,512.99	9,587,234.46
Total	141,135,869.18	151,087,953.86	71,063,680.59	70,320,132.26
Less : Allowance for doubtful	(6,198,390.55)	(14,991,039.53)	(766,860.55)	(9,057,404.22)
Net	134,937,478.63	136,096,914.33	70,296,820.04	61,262,728.04

Transactions of allowance for doubtful accounts during the year ended December 31, 2013, are as follow:
(Unit : Baht)

	Consolidated financial statements	Separate financial statements
Beginning balance	14,991,039.53	9,057,404.22
Increase during the year	(8,792,648.98)	(8,290,543.67)
Ending balance	6,198,390.55	766,860.55

5.2 Other Receivables – Other Company

Other receivables as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

Other Companies	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Prepaid expenses	2,103,088.32	180,986.98	709,123.10	-
Accrued income	228,840.18	261,474.21	228,840.18	261,474.21
Deposits	1,212,934.51	2,499,035.05	40,000.00	126,728.97
Cash advance	3,330,610.45	2,540,015.15	1,632,718.91	679,052.84
Other receivables	7,466,291.71	6,704,282.91	210,336.00	-
Total	14,341,765.17	12,185,794.30	2,821,018.19	1,067,256.02

6. Other Current Assets

Other current assets as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Value added tax	4,324,747.00	11,400,835.77	45,240.59	10,873,156.66
Others	10,218,878.18	4,780,978.83	6,305,909.73	7,199,653.93
Total	14,543,625.18	16,181,814.60	6,351,150.32	18,072,810.59



7. Investment In Related Companies

7.1 Investment In Subsidiaries

As at December 31, 2013 and 2012, the Company has invested in the subsidiary company as follows;

(Unit : Million Baht)

Company Name	Country of incorporation	Paid-up capital		Proportion of shareholding (%)		Investment in subsidiary company			
						Cost		Net Book Value	
		Dec.31, 12	Dec.31, 12	Dec.31, 13	Dec.31, 12	Dec.31, 13	Dec.31, 12	Dec.31, 13	Dec.31, 12
Be 1 Communications Co., Ltd. ¹⁾	Thailand	16	16	51	51	8	8	0.13	0.13
Wonder Asia Co., Ltd.	Thailand	1	1	100	100	1	1	0.71	0.77
Chuo Senko Dynamics (ROH) Co., Ltd.	Thailand	30	30	82	82	25	25	27.52	29.05
RDSS Co., Ltd.	Thailand	3	3	100	100	3	3	0.65	2.83
Digital DNA Company Limited	Thailand	1	1	100	100	1	1	2.62	0.81
Tangram Associates Co., Ltd.	Thailand	5	-	60	-	3	-	1.99	-
Chuo Senko Vietnam Design - Services One Member Co., Ltd..	Vietnam	22	22	100	100	16	16	21.06	18.86
Chuo Senko (Cambodia) Holding Co., Ltd.	Cambodia	-	-	100	100	-	-	1.91	0.76
JM Chuo Senko Sdn. Bhd. ¹⁾	Malaysia	7	7	100	100	11	11	-	(5.48)
PT. Chuo Senko Consultant	Indonesia	6	6	99	99	6	6	8.17	6.16
Chuo Senko Myanmar PTE	Singapore	9	9	82	65	8	6	8.49	9.24
Chuo Senko Advertising India Private Limited India		3	-	46	-	1	-	(9.51)	-
Total						83	77		
Less : Loss on impairment of - investments in subsidiaries						(19)	(19)		
Total investments in subsidiaries - net						64	58		

¹⁾ Being liquidation

In January 2013, the Company invested in 2,997 ordinary shares of Seven-Note Co., Ltd. (Changed name to be Tangram Associates Co., Ltd.), which registered its incorporation with the Ministry of Commerce on January 18, 2013 at a price of Baht 1,000 per share, for a total of Baht 2,997,000.00. The Company's investment represents 60 percent of the registered capital of such company.

In August 2013, the Company had additional invested in common shares of Chuo Senko Myanmar Pte, approximate total amount of Baht 1.6 million, which buying the shares from the joint-venture partner, Strider Corporation; totaling 510 shares at par value of 100 USD per share.

7.2 Investment In Subsidiary's Convertible Bond

In 2013, Chuo Senko Advertising India Private Limited which is associated company (under company's controlling) issued 3 years Convertible bond 275,000 units at the price 100 INR per share. The company purchased 260,300 shares at amount of Baht 13,982,496.19 (26,030,000 INR) with the interest zero rate per annum.

8. Other Long-term Investments

Other long-term investments as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

Company	Share Holding (%)		Consolidated financial statements and Separate financial statements	
	2013	2012	2013	2012
City Sports and Recreation Public Company Limited	0.09	0.09	458,000.00	458,000.00
Asia Business Support Association Co., Ltd. (shareholder of the Company)	5	5	500,000.00	500,000.00
Total Other long-term investments			958,000.00	958,000.00
Add : Changes in fair value of investments			545,125.00	423,250.00
Other long-term investments - net			1,503,125.00	1,381,250.00

9. Long-term Loan To Other Company

Long - term loan to other company as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements	
	December 31, 2013	December 31, 2012
Long-term loan to other company	18,302,411.08	36,594,640.72
Differences from translation of currency	(2,900,935.32)	-
	15,401,475.76	36,594,640.72
Less : Current portion	(15,401,475.76)	(7,621,762.35)
Long-term loan to other company - net	-	28,972,878.37

A subsidiary lent loan amounting to USD 1.2 million to a company who the major customer of a subsidiary in Indonesia for using as working capital. This loan is repayable semi-annually installments at USD 0.3 million each, starting from September 2013, and bears interest at a rate of 4% per annum. The loan is secured by the assignment of rights to collections under service agreements between this company and its client.

In June 2013, the company received the first payment amount USD 0.6 million or approximately Baht 18 million.

10. Equipment - Net

Equipment as at December 31, 2013 and 2012 consisted of :

(Unit : Baht)

Consolidated Financial Statement	Building Improvements	Furniture, fixtures and office equipment	Vehicles	Demolition cost	Total
Cost :					
As 31 December 2012	9,079,679.10	37,794,781.59	28,114,548.04	1,776,047.84	76,765,056.57
Purchase	-	2,952,942.84	12,895,181.81	-	15,848,124.65
Disposal	-	(3,528,872.88)	(12,180,905.00)	-	(15,709,777.88)
Write off	-	(892,135.26)	(74,672.90)	-	(966,808.16)
Foreign currency translation adjustment	-	1,229,683.39	(42,127.63)	-	1,187,555.76
As 31 December 2013	9,079,679.10	37,556,399.68	28,712,024.32	1,776,047.84	77,124,150.94
Accumulated depreciation :					
As 31 December 2012	(8,166,276.95)	(30,818,769.98)	(12,928,082.33)	(1,776,047.84)	(53,689,177.10)
Depreciation for the year	(248,321.51)	(3,437,634.32)	(5,162,473.96)	-	(8,848,429.79)
Disposal	-	3,201,259.24	6,661,300.91	-	9,862,560.15
Write off	-	890,366.86	32,610.61	-	922,977.47
Foreign currency translation adjustment	-	(1,162,675.71)	1,438.50	-	(1,161,237.21)
As 31 December 2013	(8,414,598.46)	(31,327,453.91)	(11,395,206.27)	(1,776,047.84)	(52,913,306.48)
Net book value :					
As 31 December 2012	913,402.15	6,976,011.61	15,186,465.71	-	23,075,879.47
As 31 December 2013	665,080.64	6,228,945.77	17,316,818.05	-	24,210,844.46
Depreciation for the year					
2012					7,411,885.64
2013					8,848,429.79



(Unit : Baht)

Separated Financial Statement	Building improvements	Furniture, fixtures and office equipment	Vehicles	Demolition cost	Total
Cost :					
As 31 December 2012	9,079,679.10	33,751,312.77	26,311,254.86	1,776,047.84	70,918,294.57
Purchase	-	1,368,110.14	10,774,869.16	-	12,142,979.30
Disposal	-	(656,800.00)	(12,180,905.00)	-	(12,837,705.00)
Write off	-	(892,135.26)	(74,672.90)	-	(966,808.16)
As 31 December 2013	9,079,679.10	33,570,487.65	24,830,546.12	1,776,047.84	69,256,760.71
Accumulated depreciation :					
As 31 December 2012	(8,166,276.95)	(27,585,654.26)	(13,128,448.24)	(1,776,047.84)	(50,656,427.29)
Depreciation for the year	(248,321.51)	(2,888,657.92)	(4,755,909.46)	-	(7,892,888.89)
Disposal	-	630,786.89	6,661,300.91	-	7,292,087.80
Write off	-	890,366.86	32,610.61	-	922,977.47
As 31 December 2013	(8,414,598.46)	(28,953,158.43)	(11,190,446.18)	(1,776,047.84)	(50,334,250.91)
Net book value :					
As 31 December 2012	913,402.15	6,165,658.51	13,182,806.62	-	20,261,867.28
As 31 December 2013	665,080.64	4,617,329.22	13,640,099.94	-	18,922,509.80
Depreciation for the year					
2012					6,763,431.37
2013					7,892,888.89

As of December 31, 2013 and 2012 the balance of net book value of Vehicles acquired under financial lease, in consolidated financial statement are approximately Baht 12 million and Baht 6 million respectively, and in separate financial statement are approximately Baht 10 million and Baht 6 million respectively.

As of December 31, 2013 and 2012 the cost of some parts of Building improvements and equipments which fully depreciated and still utilized, in consolidated financial statement are approximately Baht 40 million and Baht 36 million respectively, and in separate financial statement are approximately Baht 36 million and Baht 33 million respectively.

11. Intangible Assets – Net

Intangible assets, computer software as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Patents	Total	Computer software	Patents	Total
Cost						
Balance as at December 31, 2012	6,426,264.34	142,624.99	6,568,889.33	5,865,603.11	142,624.99	6,008,228.10
Increase	1,225,943.26	-	1,225,943.26	1,147,450.00	-	1,147,450.00
Decrease	(487,233.69)	-	(487,233.69)	-	-	-
Difference on exchange rate from – translation of financial statements	6,079.23	-	6,079.23	-	-	-
Balance as at December 31, 2013	7,171,053.14	142,624.99	7,313,678.13	7,013,053.11	142,624.99	7,155,678.10

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Patents	Total	Computer software	Patents	Total
Less : Accumulated Amortization						
Balance as at December 31, 2012	(4,563,228.39)	(30,132.69)	(4,593,361.08)	(4,212,344.47)	(30,132.69)	(4,242,477.16)
Increase	(1,069,062.68)	(47,536.91)	(1,116,599.59)	(1,036,423.33)	(47,536.91)	(1,083,960.24)
Decrease	299,947.80	-	299,947.80	-	-	-
Difference on exchange rate from - translation of financial statements	(2,846.79)	-	(2,846.79)	-	-	-
Balance as at December 31, 2013	(5,335,190.06)	(77,669.60)	(5,412,859.66)	(5,248,767.80)	(77,669.60)	(5,326,437.40)
Net Book Value						
December 31, 2012	1,863,035.95	112,492.30	1,975,528.25	1,653,258.64	112,492.30	1,765,750.94
December 31, 2013	1,835,863.08	64,955.39	1,900,818.47	1,764,285.31	64,955.39	1,829,240.70

12. Other Payable

Other payable as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Accrued expenses	13,813,802.73	15,205,570.71	5,582,976.55	4,674,293.32
Other payables	5,459,941.29	8,251,324.52	3,687,770.01	3,846,798.41
Total	19,273,744.02	23,456,895.23	9,270,746.56	8,521,091.73

13. Other Current Liabilities

Other current liabilities as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Value added tax - Sale tax	13,915,931.13	4,463,062.98	6,105,254.22	4,048,444.44
Withholding tax	7,257,187.49	7,282,847.13	5,371,504.39	5,794,543.80
Others	253,292.35	762,757.18	-	-
Total	21,426,410.97	12,508,667.29	11,476,758.61	9,842,988.24



14. Liabilities Under Financial Lease Agreements

Liabilities under financial lease agreements as at December 31, 2013 and 2012 consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Liabilities under financial lease agreements - Principal	9,602,879.35	10,367,808.81	8,217,891.74	10,367,808.81
Less : Deferred interest	(915,932.30)	(2,458,722.59)	(821,552.45)	(2,458,722.59)
Total	8,686,947.05	7,909,086.22	7,396,339.29	7,909,086.22
Less : Current portion	(2,421,412.95)	(2,068,189.68)	(1,748,732.97)	(2,068,189.68)
Liabilities under financial lease agreements - net	6,265,534.10	5,840,896.54	5,647,606.32	5,840,896.54

As at December 31, 2013 and 2012 the liabilities under financial lease agreements and the repayment detail are as follows:

(Unit : Baht)

Consolidated financial statements	December 31, 2013			December 31, 2012		
	Principal	Deferred interest paid	Total	Principal	Deferred interest paid	Total
Due for payment; Within one year	2,421,412.95	416,445.35	2,837,858.30	2,068,189.68	1,032,287.41	3,100,477.09
Over one year but within 5 years	6,265,534.10	499,486.95	6,765,021.05	5,840,896.54	1,426,435.18	7,267,331.72
Total	8,686,947.05	915,932.30	9,602,879.35	7,909,086.22	2,458,722.59	10,367,808.81

(Unit : Baht)

Separate financial statements	December 31, 2013			December 31, 2012		
	Principal	Deferred interest paid	Total	Principal	Deferred interest paid	Total
Due for payment; Within one year	1,748,732.97	342,602.87	2,091,335.84	2,068,189.68	1,032,287.41	3,100,477.09
Over one year but within 5 years	5,647,606.32	478,949.58	6,126,555.90	5,840,896.54	1,426,435.18	7,267,331.72
Total	7,396,339.29	821,552.45	8,217,891.74	7,909,086.22	2,458,722.59	10,367,808.81

According to conditions in certain agreements, the Company and the subsidiary entitled whether to buy the assets under the certain agreements at the final payment of the loans. The Company and the subsidiary have to abide by the conditions in the agreements.

As at December 31, 2013 and 2012, future minimum lease payments required under the finance lease agreements of the Company were as follows:

(Unit : Million Baht)

Consolidated financial statements	As at December 31, 2013			As at December 31, 2012		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	3	7	10	3	7	10
Deferred interest	(-)	(-)	(-)	(1)	(1)	(2)
Present value of future minimum lease payments as agreement	3	7	10	2	6	8

(Unit : Million Baht)

Separate financial statements	As at December 31, 2013			As at December 31, 2012		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	2	6	8	3	7	10
Deferred interest	(-)	(-)	(-)	(1)	(1)	(2)
Present value of future minimum lease payments as agreement	2	6	8	2	6	8

15. Employee Benefits Obligation

Obligation of long-term employee benefits, which is compensations on employees' retirement and other long-term employee benefits, was as follows:

(Unit : Baht)

Consolidated and Separate financial statements	For the year ended December 31, 2013			For the year ended December 31, 2012		
	Severance benefits	Other long-term employees benefits	Total	Severance benefits	Other long-term employees benefits	Total
Employee benefits obligation -						
at beginning of years	10,447,354.00	9,808,867.00	20,256,221.00	8,706,099.00	7,536,757.00	16,242,856.00
Current service cost	7,630,453.00	1,227,891.00	8,858,344.00	3,012,100.67	2,766,294.00	5,778,394.67
Interest cost	798,051.00	264,726.00	1,062,777.00	415,471.00	357,516.00	772,987.00
Gain (loss) from actuarial -						
assumptions	17,080,500.00	(1,980,462.00)	15,100,038.00	-	-	-
Benefits paid during the years	(3,837,356.01)	(850,955.00)	(4,688,311.01)	(1,686,316.67)	(851,700.00)	(2,538,016.67)
Employee benefits obligation -						
at ending of years	32,119,001.99	8,470,067.00	40,589,068.99	10,447,354.00	9,808,867.00	20,256,221.00

Long-term employee benefit expenses for the years ended December 31, 2013 and 2012 included in the profit or loss was as follows:

(Unit : Baht)

Consolidated and separate financial statements	For the year ended December 31, 2013	For the year ended December 31, 2012
Current service cost	8,858,344.00	5,778,394.67
Interest cost	1,062,777.00	772,987.00
Total expense recognized in profit or loss	9,921,121.00	6,551,381.67

Changed in gain (loss) on actuarial assumptions which presented under Other components of equity for the years ended December 31, 2013 and 2012 are as follow;

(Unit : Baht)

Consolidated and separate financial statements	2013	2012
Beginning balance	-	-
Increased during the years	15,100,038.00	-
Transfer to Un-appropriated retained earnings	(15,100,038.00)	-
Ending balance	-	-



Principal actuarial assumptions at the valuation date were as follows:

(Unit : Baht)

Consolidated and separate financial statements	2013 (% per annum)	2012 (% per annum)
Discount rate	3.7	3.5
Expected rate of salary increase	4.0 – 8.0	5.0
Employee turnover rate (depending on age range)	13.0 – 27.0	5.0 – 32.0

* Based on weighted rate by age group of employee

** Referred to Thai Mortality Ordinary Tables of 1997 (TMO 1997 : Thai Mortality Ordinary Tables of 1997)

16. Income Tax Expense

In accordance with taxable conditions on Thailand's revenue code, the Company and its subsidiaries have calculated its net taxable profit (loss) by taking both any forbidding expenditures and any reduced or exceptionable accounting transactions to adding - up or deducting from net profit (loss) under accounting base.

The Company has calculated income tax on its taxable profit for the year 2011 and 2012 at the rate 30% and 23% respectively and the rate 20% from 2013 onward.

16.1 Income tax expense for the year ended December 31, 2013 and 2012, consisted of;

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Income tax charge of current year	1,756,533.77	1,357,478.44	-	-
Deferred income tax Expense (Revenue) from temporary difference	(6,266,569.60)	2,033,344.36	(6,266,569.60)	2,033,344.36
Effects of deferred income tax from change of tax rates	-	-	-	-
Income tax expense presented in the statement of Income	(4,510,035.83)	3,390,822.80	(6,266,569.60)	2,033,344.36

16.2 Income tax relating to components of statements of comprehensive income – other for the years ended December 31, 2013 and 2012 consisted of :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Deferred income tax relating to; Investment in marketable securities	(103,326.36)	(99,370.68)	(103,326.36)	(99,370.68)
	(103,326.36)	(99,370.68)	(103,326.36)	(99,370.68)

16.3 The reconciliation of the income tax expense and the result of the multiplying of the accounting profit with tax rate for the year ended December 31, 2013 and 2012 is presented as the following:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Accounting profit before corporate income tax	-	-	33,089,475.62	-
Corporate income tax rates			20%	23%
Accounting profit before corporate income tax multiply by tax rates	-	-	6,617,895.12	-
Effects to deferred income tax from change of income tax rates	-	-	-	-
Income tax effects that is nondeductible in calculation of profit:	-	-	-	-
- Revenue exempted in tax calculation	-	-	-	-
- Non deductible expenses	(4,510,035.83)	3,390,822.80	(12,884,464.72)	2,033,344.36
Income tax expense presented in the Statement of Income	(4,510,035.83)	3,390,822.80	(6,266,569.60)	2,033,344.36

16.4 Components of deferred tax assets and deferred tax liabilities comprised of the following items;

(Unit : Baht)

Consolidated financial statements	December 31, 2013	December 31, 2012	January 1, 2012
Deferred income tax assets			
Allowance for impairment of investments	1,625,600.00	1,625,600.00	6,985,477.30
Employee benefit obligation	8,117,813.80	4,051,244.42	3,324,711.70
Benefits from accumulated tax loss	4,000,000.00	1,800,000.00	-
Provision for long-term demolition	800,000.00	800,000.00	-
Total	14,543,413.80	8,276,844.42	10,310,189.00
Deferred income tax liabilities			
Investment in marketable securities	(340,722.16)	(237,395.80)	(138,025.10)
Total	(340,722.16)	(237,395.80)	(138,025.10)

(Unit : Baht)

Separated financial statements	December 31, 2013	December 31, 2012	January 1, 2012
Deferred income tax assets			
Allowance for impairment of investments	1,625,600.00	1,625,600.00	6,985,477.30
Employee benefit obligation	8,117,813.80	4,051,244.42	3,324,711.70
Benefits from accumulated tax loss	4,000,000.00	1,800,000.00	-
Provision for long-term demolition	800,000.00	800,000.00	-
Total	14,543,413.80	8,276,844.42	10,310,189.00
Deferred income tax liabilities			
Investment in marketable securities	(340,722.16)	(237,395.80)	(138,025.10)
Total	(340,722.16)	(237,395.80)	(138,025.10)



17. Legal Reserve

Section 116 of the Public Companies Act B.E.2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the authorized capital. The legal reserve is not available for dividend distribution. The Company has fully provided the legal reserve in the accounts.

18. Expenses By Nature

The significant expenses classified by nature for the years ended December 31, 2013 and 2012 are as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Salary, wage and other employee benefits	254,041,105.68	213,068,513.65	191,567,079.37	170,687,406.10
Depreciation and amortization	9,965,029.38	8,561,352.06	8,976,849.13	7,850,598.91
Rental expenses from operating lease agreements	32,735,251.94	25,707,324.43	17,840,908.68	18,325,941.61
Consulting and management fees	24,781,127.43	22,076,367.22	18,674,611.46	20,711,528.53

19. Financial Information By Segment

The businesses of the Company and its subsidiaries mainly involve the single industry segment of the media buying and advertising products on services and are mainly carried on both in Thailand and overseas which operated by subsidiaries.

The financial information of the Company and its subsidiaries by geographical segment, for the year ended December 31, 2013 and 2012 are as follow:

(Unit : Million Baht)

For the years ended December 31	Thailand		Overseas		Consolidated financial statements	
	2556	2555	2556	2555	2556	2555
Commission and service income	288	232	92	89	380	321
Cost of services	(109)	(114)	(35)	(32)	(144)	(146)
Segment profit	179	118	57	57	236	175
Unallocated income (expenses):						
Other income					8	10
Administrative expenses					(177)	(163)
Directors and management's remunerations					(62)	(41)
Financial cost					(2)	(2)
Income tax expense					5	(3)
Profit (Loss) for the year					8	(24)

Transfer prices between business segments of the Company and its subsidiaries are as set out in note 2.6 to the financial statements.

Major customer information

In the year 2013 the Company has earned from 18 major customers from Thailand and Overseas operating segment amounting to Baht 335 million.

20. Provident Fund

The Company and its employees agreed to establish employees' provident fund under authorization from Ministry of Finance as per provident fund legislation 1987. This provident fund is comprised of a portion of 5% from employee's salary and a portion that is contributed at the same amount from company. Employees entitle to receive money from the provident fund if he/she resign and comply with its regulation. The provident fund is managed by MFC Asset Management Public Company Limited. The Company contributed to the fund for the years ended December 31, 2013 and 2012 amounting to Baht 4.02 million and Baht 4.79 million respectively.

21. Commitments And Contingent Liabilities

21.1 Operating Lease Commitments

The Company and its subsidiaries had entered into lease agreements in respect of the lease of office buildings space. As at December 31, 2013, the future minimum rentals payable under these non-cancellable operating lease contracts of the Company and its subsidiaries are as follows:

(Unit : Million Baht)

Payable within	Consolidated financial statements	Separate financial statements
1 year	27	22
2 - 3 years	12	7

21.2 Guarantee

As at December 31, 2013, there were outstanding bank guarantees of approximately Baht 1 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 0.9 million to guarantee payments due to creditors, and Baht 0.1 million to guarantee the electricity usage.

21.3 Other Service Commitments

The Company has entered into several agreements with a related party and non-related parties, whereby it receives certain services related to marketing and corporate business. These agreements have terms of 1 to 2 years. As at December 31, 2013 and December 31, 2012, the Company has outstanding service fee commitments totaling Baht 5 million and Baht 5 million respectively.

22. Events After The Reporting Period

The Board of Directors' Meeting No.2/2014 held on February 4th, 2014 has resolved to the Capital Increase totaling Baht 56,250,000, the Company's registered capital from Baht 56,250,000 to Baht 112,500,000 by authorizing 11,250,000 ordinary shares with a par value of Baht 5 per share. However, the capital increase is not confirmed having an approval by the Extraordinary General Meeting Shareholders' Meeting No.2/2014 held on March 6th, 2014.

23. Dividends

Dividends	Approved by	Total Dividends (Baht)	Dividend per share (Baht per Share)
Final dividends for the year 2011	Annual General Meeting of the shareholder on April 26, 2012	3,375,000	0.3
Final dividends for the year 2012	Annual General Meeting of the shareholder on April 26, 2013	3,375,000	0.3

24. Approval Of The Financial Statements

These financial statements were approved by the board of directors of the Company on February 25, 2014.





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