



Digital Network Transformation



รายงานประจำปี

ANNUAL REPORT

2559

2016



• Billboard



• Street Furniture



• Digital



• Creative OOH



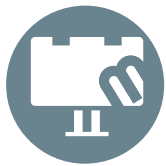
• Overseas Ads

In Remembrance of His Majesty the Late
King Bhumibol Adulyadej

With Eternal Respect and Gratitude

The Board of Directors, Management and Employee of
MASTER AD PUBLIC COMPANY LIMITED.





Billboard



Street
Furniture



Digital



Overseas Ads



Creative OOH

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VISION

“TO ENRICH LIFESTYLES BY OFFERING INNOVATIVE OUT-OF-HOME MEDIA ADVERTISEMENT AND SMART CONNECTION PLATFORM ACROSS THE ASEAN REGION”

MISSION

“DELIVER PREMIUM SOLUTIONS BY OFFERING INSIGHT AND INTEGRATED OOH ADVERTISING TO IGNITE ENGAGEMENT AND PURCHASING USING OUR EXPERIENCES TEAM AND STRONG PARTNERS.”



I Message from the Chairman



Dear Shareholders,

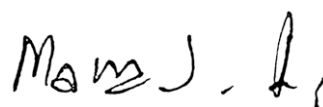
The year 2016 was another year that Master Ad Public Company Limited (“MACO”) stepped into the next stage of corporate development to grow continuously base on the business strength and be ready to become a leader in out - of - home media integrated with marketing communications channels through the management restructuring after the major shareholders’ structural changes on May 31, 2016 onwards.

Board of Directors, Chief Executive Officer and new Executive Directors has changed the strategy in expanding the network of Out of Home Media with significant development as follows:

- Acquisition of the Out of Home Media business with media network covering all provinces of Thailand and the high potential location of Static Media that can be developed to a digital signage network in the near future by the acquisition Multi Sign Co., Ltd. in a percentage of 70% of the total shares, a total investment of 439 million Baht. This has resulted the Out of Home Media network of MACO GROUP has a total space of 120,000 sqm. with more than 2,000 locations.
- Building trust and confidence in the growth of the Company, resulting that Ashmore, a large foreign fund, supported the capital increase by issuing new 334 million shares for Private Placement, representing 10% of the total ordinary shares issued at a price of 1.28 Baht per share, totaling 427.52 million Baht.
- Partnering with Jupiter Smart Technology Co., Ltd. to introduce I Beacon Application to be installed at the bunting area under the BTS stations which are the business central is the heart of the capital to collect data, age, gender and daily habit of the media viewers

to create value - added for trade and offer the services that benefit consumers and advertisers in the near future.

- In 2016, the Company received the Investor's Choice Awards 2016, which was honored with the disclosure and the equality of shareholders as the Company has received the a full scores of 100 points on evaluating the quality the Annual General Meeting of Shareholders (AGM) for 5 years consecutively. The Company, by the Board of Directors and the management, are committed to improve and develop the level of good governance by focusing on transparency and compliance strictly with the ethics.
- On February 2, 2017, the Company received the Outstanding Company Performance Awards at the SET Awards 2016 as one of three companies that received this award.
- By the end of the year, the Company has started "Vision 2021" as a strategy for the business in the next 5 years in order to create cooperation between the companies of major shareholders including VGI and Rabbit to step over from the traditional Out of Home Media leaders to be the companies dealing with digital media that integrate the application with the online media and other media effectively. At the same time, this will lead to sustainable growth, increase job opportunities and enhance existing capacity of the employees as well as create sustainable returns for partners and shareholders.
- Another important event and subject to grieve of all the Thai people over was the loss of our beloved monarch, His Majesty the late King Bhumibol Adulyadej, on October 13, 2016. We, Master Ad Public Company Limited, would like to express our condolences due to his gracious mercy for the Thai people.
- I would like to take this opportunity to thank the Board of Directors, the management and all the staff that worked tirelessly to achieve the Company goals as well as the customers and partners for the support throughout the year. Most importantly, I'd like to thank all the shareholders for the trust and confidence in the Company's vision and management towards being the leader in Asia's Out of Home Media business which is both solid and business sustainable. It is hoped that we will receive support from all of you continuously for a longer period of time.



Mana Jantanayingyong

Chairman of the Board of Directors



I Message from the CEO

Dear Shareholders,

The overview of the advertising industry in 2016 showed a slowing down from the previous year. The overall advertising expenditure decreased from 2015 by 11%, Out of Home advertising was down by 8% while Outdoor media increased by 35.20% which was based on the unequaled database during 2 years. In fact, the expenditure for Outdoor media declined by 6% based on equaled database which can be compared to one another.

Last year was a period of transition, from the Management of the previous shareholders to the new management representing the new shareholders from VGI Global Media Public Company Limited. It was the smooth transition which would take 7 months for completion.

In term of business development, the Company initiated the transition from the conservative approach to the integrated network expansion and growing by leaps and bounds approach. We decided to invest by purchasing the shares of Multi Sign Co., Ltd., the outdoor media production which has the advertising network covering all provinces of Thailand and preparing for the transition from static billboard to digital screen which had the potential of business value - added development. In the era where social media and smart phones have high influence over the consumers, they are always active even when traveling or being on the move. Smart phones can store the consumer database related on lifestyle and consumption habits to determine the marketing plan in order to meet the consumer's demand effectively.

The Company has initiated "Vision 2021" which is the business strategy for the next 5 years to establish cooperation within the group of major shareholders including VGI and Rabbit which enable to mix Out of Home Media with digital media that integrate the social media application with Transit Media and other media effectively.

In Quarter 3, the Company has collaborated with Jupiter Smart Technology Co, Ltd., an investment partner in the installation of the signal test equipment - I beacon from the bunting area



under the BTS stations to link as O to O model (Offline to Online) to the smart phones of the viewers. Our target audiences are people living in the capital who spend daily life along the BTS lines. The Company expected to benefit from those active database and target audiences who use the application linked with I beacon for the benefits of advertisers to communicate and access directly to the target audience.

Strategy and administrative approach of the new management is aimed to elevate competitive capacity and build sustainable growth in the long term which might impact in the short term. The net profit of the Company in the past year decreased due to the expenses of the extra operations. In 2016, the Company announced a dividend of the first half of the year at Baht 0.018 Per Share, and the second half of the year at Baht. 0.011 Per Share, totaling Baht 0.029 Per Share. It decreased by 40 % comparing with the previous year because of the extra costs incurred during the transmission period from the former management to the new one in the second half an amount of 40 million Baht. The extra costs also arose from the expansion by merger and the capital raising an amount of 17 million Baht in Quarter 3. Furthermore, the impact to the slowdown in spending of advertising budget in the 4th quarter was due to the mourning period for His Majesty the late King Bhumibol Adulyadej.

If there was no political risk, Thai economy should rebound in 2017 according to the forecast of the Ministry of Finance, NESDB and financial institutions including Media Agency Association. It is expected that the advertising industry will grow about 3 - 5%. The Company also believes that the turnover in 2017 will grow up due to the media network increasing from the acquisition of Multi Sign Co., Ltd. at the end of 2016 including the investing expansion in digital media networks in 2017.

In terms of social and community responsibility, the Company remains the commitment to operate under the ethical and good governance principles. In the past year, the Company still continued the MACO Media for CSR project to providing 10% of the advertising space for government agencies or the charities to communicate the content related to social responsibility. The Company had been promoting such policies through the print media and online media to public already. And this year, the Company also donated to flood victims in Bang Ban District, Phra Nakhon Si Ayutthaya Province for more than 400,000 Baht through Raks Thai Foundation to forward the donation to the afflicted people. This activity was aimed to promote good attitude and awareness of sharing to people in the society. Furthermore, the Company had organized the "Turning the Wasteland for Thai Farmers" Project which aimed to assist and develop community by turning the empty land into rice paddy field. The project had worked with Wat Don Sai Community, Phetchaburi Province. After the rice harvest, all rice products would be provided to the community, school and other foundations. This project has been impressed by the locals at Wat Don Sai community extensively.

During January 15 to February 15, 2017, the Company sponsored the billboard space at the bunting area of Ekkamai and Ratchathewi BTS stations, and Pratu Nam Bridge a number of 9 billboards to publicize the donation channels in helping flood victims in the South together with the Red Cross.

Furthermore, the important event that took place at the end of the year was a tragedy for all Thai people since our beloved His Majesty the late King Bhumibol Adulyadej passed away on October 13, 2016. "All of us, Master Ad Public Company Limited, are deeply deploring and will recall the royal grace of the late King Bhumibol Adulyadej forever"

Finally, on behalf of the MACO Board of Directors, I would like to thank all shareholders, business partners, financial institutions, government agencies and related organizations, as well as all clients for the best support to our company. And most importantly, I am very thankful to the management and our staffs who dedicated their forces and energies for moving forward on the mission and action plans of the Company and also persisted in the good governance principle of the Company. Therefore, the overall success of the Company in the year 2016 would not be achieved if the Company did not get the good support from you all. Please believe that the Company will move forward steadily and generate returns for shareholders and all partners continuously.



Mrs. Suparanan Tanviruch
Chief Executive Officer



I The Board of Directors



1. **Mr. Mana Jantanayingyong**
Chairman of the Board of Directors



2. **Mrs. Suparanan Tanviruch**
Director



3. **Mr. Chaiyasit Puvapiromquan**
Director



4. **Mr. Danai Tangsriviriyakul**
Independent Director



5. **Mr. Paisal Tarasansombat**
Independent Director



6. **Mr. Surachet Sangchayosawat**
Director



7. **Mr. Chalush Chinthammit**
Independent Director



8. **Mr. Chavin Kalayanamitr**
Director



9. **Ms. Daranee Phanklin**
Director



I Executive Committee/Executive Management



1. **Mrs. Suparanan Tanviruch**
Chairman of Executive Committee/
Chief Executive Officer (CEO)



2. **Mr. Jutha Jaruboon**
Executive Committee/
Chief Operation Officer (COO)



3. **Mr. Yanis Tipakorn**
Executive Committee/
Chief Creative Officer (CCO)



4. **Mr. Nitus Tungsangprateep**
Executive Committee/
Chief Investment Officer (CIO)



5. **Miss. Tamonwan Narintavanich**
Executive Committee/
Chief Financial Officer (CFO)



6. **Miss. Rodjana Trakulkoosri**
Executive Committee/
Chief Business Development Officer (CBO)



7. **Mrs. Uraiwan Boonyarataphan**
Executive Committee/
Chief People Officer (CPO)



8. **Mr. Chakkrit Khemthong**
Executive Committee/
Chief Marketing Officer (CMO)



Financial Highlights

Unit : M.THB

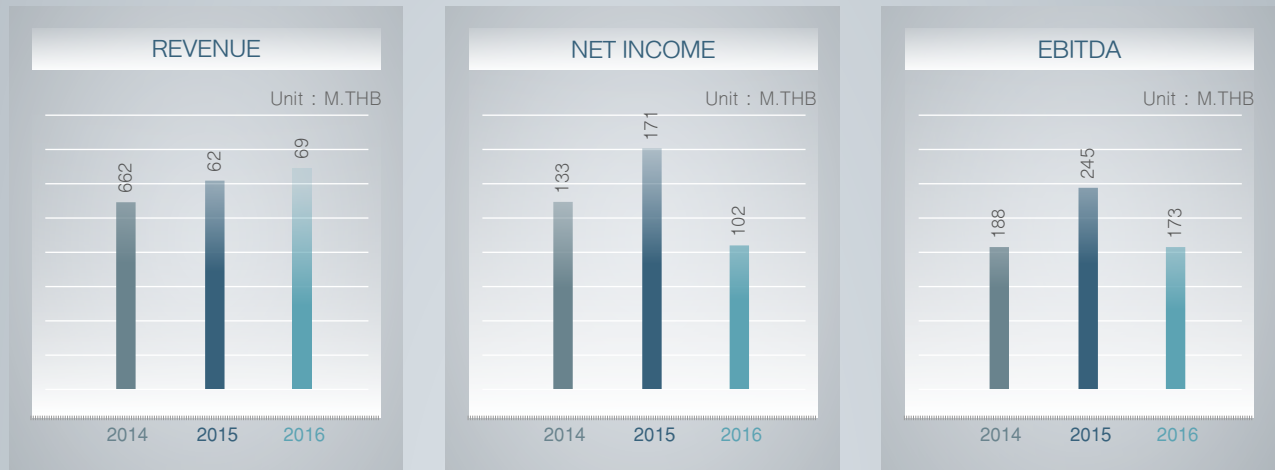
	2014	2015	2016
STATEMENT OF COMPREHENSIVE INCOME (THB mn)			
Revenue from services ⁽¹⁾	622	694	735
Billboard	333	332	325
Street Furniture	211	324	365
Creative OOH Production	77	38	45
Cost of sales	306	309	330
Gross profit	316	385	405
EBITDA	188	245	173
Net profit	133	171	102
STATEMENT OF FINANCIAL POSITION (THB mn)			
Total assets	840	895	1,631
Total liabilities	165	150	472
Total shareholders' equity	675	745	1,159
PER SHARE DATA (THB / share)			
Earnings per share	0.04	0.06	0.03
Dividend per share ⁽²⁾	0.039	0.048	0.029
Book value per share	0.22	0.25	0.35
KEY RATIOS			
Gross profit margin (%)	51%	55%	55%
EBITDA margin (%)	30%	35%	24%
Net profit margin (%)	21%	25%	14%
Debt to equity (times)	0.2X	0.2X	0.4X
ROA (%)	20%	25%	11%
ROE (%)	19%	25%	11%
SHARE INFORMATION (as of 31 December)			
Share price (THB)	1.4	0.9	1.2
Outstanding shares (shares mn)	3,009	3,009	3,343
Market capitalisation (THB mn)	4,333	2,708	4,045
Par value (THB per share)	0.1	0.1	0.1

Note:

(1) Excludes other income

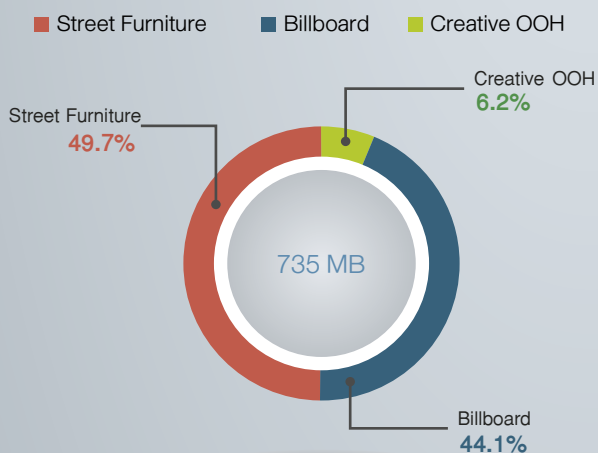
(2) The total dividend payment from 2016 operations was THB 91mn

Revenue Structure

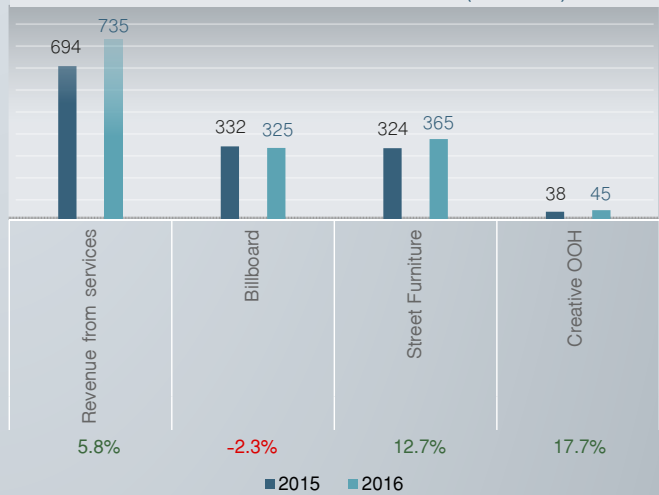


Remark: Correction the Revenue as follow;
 2014 change from 662 to 622
 2015 change from 62 to 694
 2016 change from 69 to 735

2016 REVENUE CONTRIBUTION (THB mn)



2016 REVENUE BY SEGMENTS (THB mn)



Awards in 2016

In 2016, Master Ad Public Company Limited has been awarded as follows:

- SET Awards for Outstanding Company Performance Awards for the Registered Company with a market capitalization between 3,000 - 10,000 million Baht.



- Investor's Choice Awards 2016

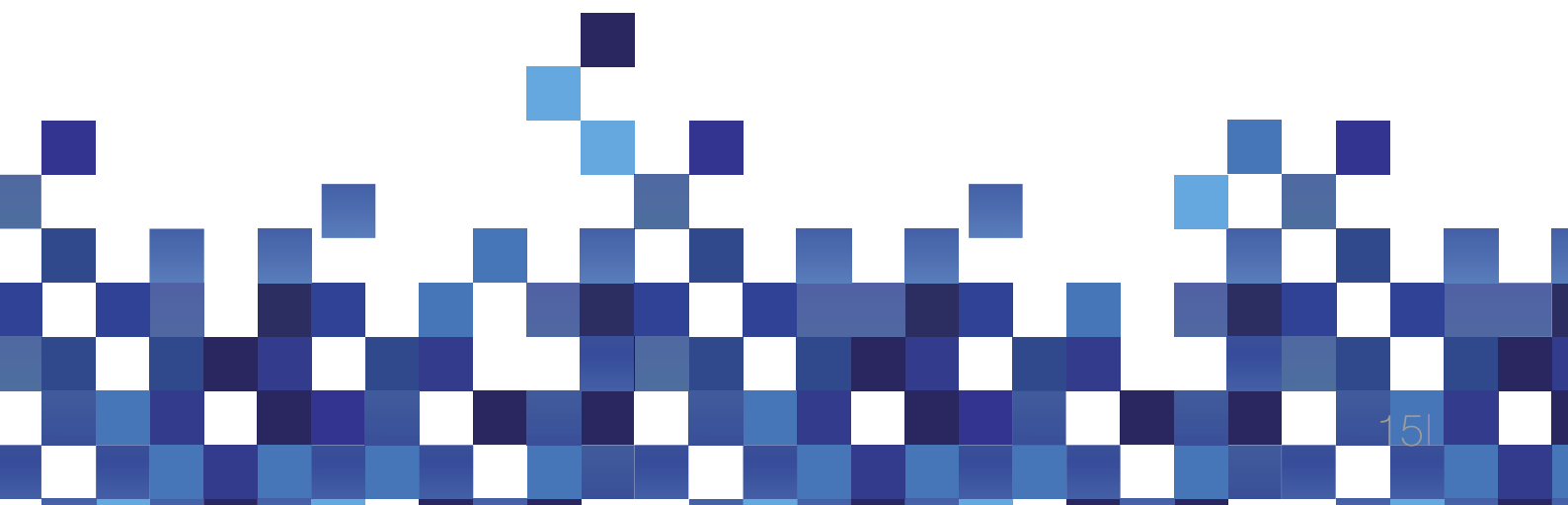
An honorable reward on the disclosure and the equality of shareholders as the Company has received 100 points from the assessments of Annual General Meeting (AGM) for 5 years consecutively.



- Being Assessed and ranked for corporate governance in 2016 as excellent with the score of 86%.
- Being evaluated for the Annual General Meeting of Shareholders as excellent with the score of 100 points.



The company will continually
increase its growth rate every year.





I Policy and overall business operations

Key changes and developments

Master Ad Public Company Limited (MACO) was established on 18 February 1988 with a registered capital of THB 0.6 mn as a provider of production and services for entertainment business focusing on the Out of Home Media : OOH. Billboard was our traditional business and continues to be the most utilised for OOH advertising. Later, the Company introduced the prism flipping technique - rotating 3 advertising displays in 1 board called "Tri Vision" into various sizes of billboards depending on the applications, locations and clients' requirements.

On 29 September 2003, the Company converted into a public company with a registered capital of THB 125mn and successfully listed on the MAI stock market under the ticker symbol "MACO" and moved to SET listed companies in September 19, 2013 under services industry, media and publishing sector.

Throughout 28 years, MACO has been providing well-maintained services through 2,000 media sites nationwide under the concept of "Smart, Creative and Innovative" to emphasise on being "The leader in creative and innovative OOH media solution provider in Thailand".

During the past 3 years (2014 - 2016), the Company has key changes and developments as follows:

2014

May

- On 12 May 2014, VGI Global Media Public Company Limited (VGI) has become a majority shareholder of the Company after acquired 751.0mn shares or 24.96% of the total issued shares. The synergy between the companies provides advantages to VGI and MACO by initiating value added strategies and marketing plans for advertising campaigns that help promote and take both companies to be the leaders in the integrated advertising network in the country and across ASEAN.

September

- On 26 September 2014, MACO changed the par value of the shares from THB 1.00 per share to THB 0.10 per share, to increase the liquidity of the Company's shares trading on SET. MACO's new shares have been traded with the new par value since 3 October 2014
- In order to provide readiness and boost financial strengths and flexibility to the Company in proceeding future projects, MACO issued and allocated MACO - W1 of 752.2 mn units to the existing shareholders at pro rata to their respective shareholdings (Rights Offering) at the ratios of the existing shares (par value) of THB 0.10 per share, and 4 shares to 1 Warrant MACO - W1 (4:1), increasing the amount of the authorized share capital to THB 376.1mn. MACO-W1 has been traded on SET since 14 November 2014.

October

- MACO acquired an additional 49% shares of Green Ad Company Limited ("Green Ad") with total investment of THB 0.8mn, whose business is environmentally producing and providing billboard services, resulting in a total holding of 100% in Green Ad.

November

- Master and More Co., Ltd. ("Master & More"), MACO's subsidiary, invested 80% or THB 4.0mn in Open Play Company Limited ("Open Plays") , a company that was granted a right to manage advertising in gas stations both inside and the exit areas of the PTT gas stations (Jiffy) nationwide.



December

- On 3 December 2014, VGI was appointed as advertising agency for MACO' street furniture media over the period of 3 years (2015 - 2017). Street furniture media consists of various media types including the media installed at the BTS sky train stations' columns (City Vision BTS), the major flyover bridges in Bangkok (City Vision Flyover), the toll gates of the expressway (City Grip Light Express) and the northern bus terminal (MorChit Station Media).

2015

April

- MACO expanded its presence into an international market by establishing a wholly-owned subsidiary MACO Outdoor Sdn. Bhd. ("Maco Outdoor") in Malaysia. Subsequently, MACO Outdoor invested 40% or THB 1.8mn in Eyeball Channel Sdn. Bhd. ("Eyeball Channel"), a provider of outdoor media advertisement services in Malaysia.

July

- Acquired an additional 20% shares in MACO Rite Sign Company Limited ("MACO Rite Sign") with total investment of THB 1.0mn, raising the percentage of shareholding from 80% to 100%. MACO Rite Sign is the equipment manufacturer established to carry out the production of Tri Vision for the Company' services.
- Disposed all of investment in Max Creative Company Limited, total amount of THB 1.5mn

2016

May

- On 31 May 2016, VGI acquired an additional 375.0 mn shares of MACO (or 12.46%), resulting in a total holding of 1,126mn shares (or 37.42%) in MACO.



August

- On 3 August 2016, Green Ad, a wholly - owned subsidiary of MACO, Signed an agreement to acquire 70% in Multi Sign Company Limited ("Multi Sign") with a total investment of not exceed THB 439.0mn. Multi Sign is an outdoor media company with a total network of 862 billboards nationwide. Consequently, MACO has secured its leadership in outdoor media with more than 2,000 advertising panels, presenting in all provinces of Thailand.

September

- On 21 September 2016, The Extraordinary General Meeting (EGM) approved the increase of registered capital of MACO by issuing 334.0mn newly issued ordinary shares with par value of THB 0.010 per share for allocating to Ashmore OOH Media Limited ("Ashmore OOH Media") at the price of THB 1.28 equivalent to THB 427.5mn in total.

- On 28 September 2016, Green Ad's Extraordinary General Meeting (EGM) approved the issuance of registered capital to the existing shareholders at pro rata to their respective shareholdings (Rights Offering) by issuing 99.0mn newly issued ordinary shares with par value of THB 5.00 and the total value of THB 495.0mn. As a result, the registered capital of Green Ad increased by THB 495.0mn from the existing registered capital of THB 5.0mn to THB 500.0 mn.

October

- On 31 October 2016, 334.0mn newly issued ordinary shares of MACO be traded on Stock Exchange of Thailand ("SET"), resulting in the existing registered capital of 3,343.0 mn shares.



I Shareholding Structure of the Group

Shareholding Structure of the Group

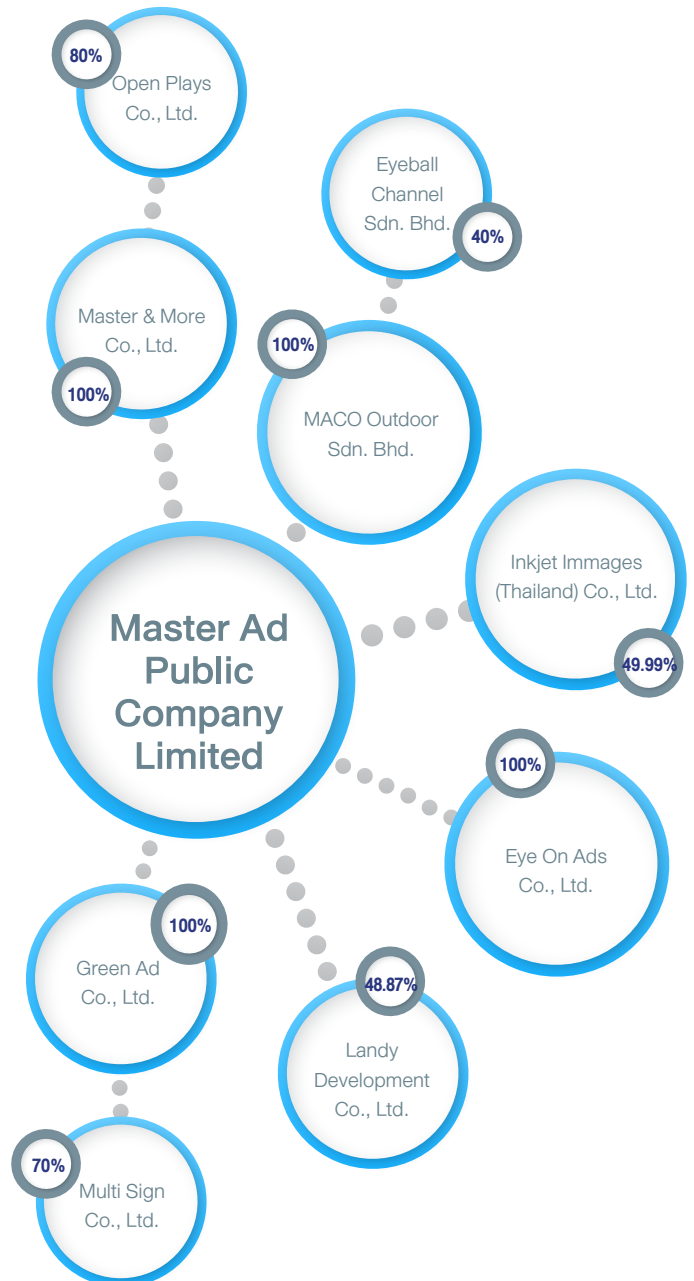
Master Ad Public Company Limited and the Group established to provide advertising services and production of advertising. Master Ad's primary revenue comes from the rent of advertising media, production of advertisements and provides fully - integrated services in term of idea "Nationwide integrated OOH Media Platform" The shareholding structure and organization of the companies in the Group are as follow:

Master Ad Public Company Limited

Large size billboard services and production. Current major revenue comes from billboard rental and production as well as services that meet the customers' requirement.

Master & More Co.,Ltd.

Established to provide services and produce advertising media, Master & More sets priority in small advertising boards such as BTS City Vision, City Vision Flyover, City Grip Light, BTS Walkway, Morchit, Siam Square Billboards, etc. Master & More is a co-investment between Master Ad and Clear Channel International Co., Ltd., producer of leading advertising media in England with long experience in the business at the ratio of 67.5 to 32.5. In 2010, Master Ad Public Co., Ltd. bought all the Master & More's shares from its partner and subsequently Master Ad today holds 100% stake in Master & More. However, Clear Channel International Co., Ltd. remains a good business partner for overseas advertising business through Clear Channel International's network as well as overseas advertising information support.





Eye On Ads Co., Ltd.

(formerly know as MACO Ritesing Co., Ltd.)

1. Trivision equipment manufacturer using technology from Sweden. Established to carry out the manufacturing business of Trivision accessories for its own use.
2. Creative OOH and support Digital media in the future such as CBD LED Net work.

Green Ad Co., Ltd.

Billboard services and production that is environmentally friendly both outside and inside the residence with the Green Wall System using the watering and fertilizer technology under the concept “**Naturally Innovative**”.

Inkjet Images (Thailand) Co., Ltd.

Production of inkjet printed materials using vinyl and stickers manufacturing and installation as well as exhibitions.

Landy Development Co., Ltd.

Renting of office buildings to other group members (Other shareholders include Landy Home (Thailand) Co., Ltd., 36.24%, and Daii Group Plc., 10.00%)

Open Plays Co., Ltd.

Owned by Master & More Co., Ltd.(a subsidiary).
A company that has a concession inside the gas station area and the exit area of the PTT/Jiffy gas station nationwide.

Multi Sign Co., Ltd.

Provide out - of - home advertising media and production services. Share held by Green Ad Co.,Ltd with 70% and Existing shareholder 30%.

MACO Outdoor Sdn. Bhd.

Established in Malaysia as a holding company to make a joint venture in Eyeballs Channel Sdn. Bhd. in aproportion of 40% with other partners such as Mr. LimChe Cheng, 50%, and Gaya Optimis Sdn. Bhd., 10%.

Eyeball Channel Sdn. Bhd.

Conducting media business in Malaysia. Shares held by MACO Outdoor Co., Ltd. with 40% stake.

I Nature of Business

Products or Services

The nature of the Group's products are services and Out of Home Media production with a variety of styles, sizes, the installation location and presentation techniques In order to meet the needs of the market and different target customers. We provide the full service starting from consulting, media planning, production services and installation as well as the marketing activities including the maintenance of the media during the duration advertising.

The Company's advertising business can be divided into 5 Categories as follows:

MEDIA	Description
1. BILLBOARD	<ul style="list-style-type: none"> Medium and large advertising panels located at high potential locations throughout the country.
2. STREET FURNITURE	<ul style="list-style-type: none"> Small and medium advertising panels located at the main roads, main intersection bridges covered business areas and communities including advertising panels located in the area of mass transit systems operated by both government and private sectors.
3. DIGITAL	<ul style="list-style-type: none"> Digital Advertising Media network with modern looks and technologies fulfilled brands and marketers' requirements in reaching customers in wide area is capable of broadcasting your works abruptly.
4. Creative OOH	<ul style="list-style-type: none"> Advertising media or items specially produced according to the need of clients can be divided into: <ol style="list-style-type: none"> 1. MADE TO ORDER 2. EVENT
5. Overseas Ads	<ul style="list-style-type: none"> Overseas advertising media covering diverse areas in Asian Economic Community countries

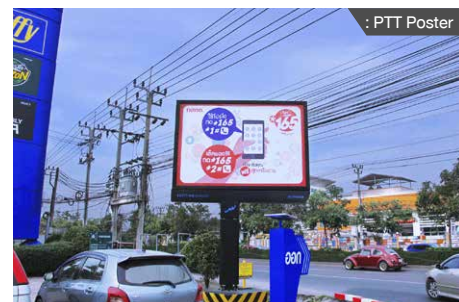
1. BILLBOARD

LARGE BILLBOARD

Billboard is the most effective medium that has been developed to be a modern, distinctive and visual appeal with the installation in several areas such as along the expressway, on main streets, around town and communities in Bangkok and other provinces. A variety of structures helps create outstanding brand image for the product, catching the eye of the spectator such as the Monopole structure, Double Column structure, Steel Truss structure and others as required by the clients.

As at December 31, 2016 the Company has 178 still billboards for its business.





They are installed in various locations as follows:

	Unit	%
On main roads in Bangkok and its vicinity	135	76 %
On main roads in the provinces	43	24 %
Total	178	100 %

NATIONWIDE BILLBOARD

Medium sized billboards that are installed at the key intersection of provinces around the country such as the commercial district and communities which have heavy traffic. This media can reach the target groups effectively. At present, there are 860 billboards in 70 provinces.

PTT Poster

Light box media installed at PTT/Jiffy Gas Station. They are effective in reaching the target groups with high purchasing power at the nationwide gas stations along the main roads. The media is installed in the position that impacts the customers of the gas station. There are currently 262 billboards 139 stations of this media type.

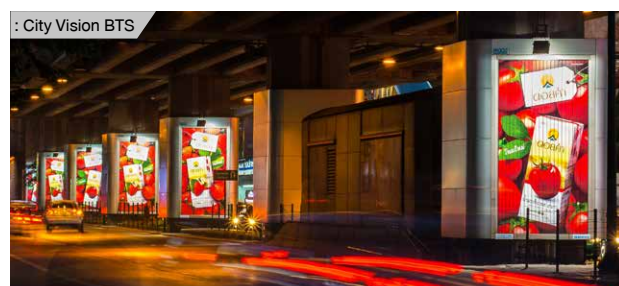


2. STREET FURNITURE

Small advertising panels located near footpath or main roads that can be visible at eye level, targeted city people, working people in business areas covered the area of central cities including advertising panels at the area of mass transit systems operated by both government and private sectors.

CITY VISION BTS

Advertising billboard in Trivision Format of 4.00 x 2.00 meters installed at eye level around the stanchion under the 20 BTS Skytrain stations. The Company is the only operator allowed to installed the billboards around the stanchion under all Skytrain stations for a period of 18 years, a total of 188 billboards.





CITY VISION FLYOVER

Advertising media installed around stanchion of 19 major viaducts in Bangkok that attracts the audience with Trivision and light box that colors the main roads around Bangkok as well as the target audiences who walk the streets and sidewalks, a total of 316 billboards.

Griplight Express

Still light box media installed at the 21 toll gates of First and Second Stage Expressway, altogether 124 signs that cover the target audience of car users effectively.

Morchit Station

Media in the area of the new Northern Bus Terminal consisting of 3 types of light boxes located inside and outside the Terminal as follows:



- **Main Entrance Light Box:** 4 light boxes located at the front entrance of the first class passengers building
- **Ground Walkway Light Box:** 2 light boxes located at the corridor from the bus stop and shopping arcade to the terminals
- **Escalator Head Light Box:** 1 light box located above the escalator to the 3rd floor which is the passenger terminal to the northeast.

3. Digital Media

Digital Advertising Media network with modern looks and technologies fulfilled brands and marketers' requirements in reaching customers in wide area is capable of broadcasting your works abruptly.

AROY AROY NETWORK

Advertising media in LCD format installed in famous restaurant. At present, there are 255 LCD screens installed in 255 restaurants covering 40 cities across the country.

4. Creative OOH Media

Advertising media that is made exclusively according to customer requirements to meet the needs of all businesses such as construction of the large billboards, advertising design, interior design, display design and special events.



5. Overseas

Out of Home advertising media covering diverse areas in Asian Economic Community countries installed at major highways, downtown areas, business center and important places that can reach the target groups effectively.

Marketing and Competition

Competitive Strategies

The Company has focused on the following approaches to increase competitiveness:

1. Finding the area to install advertising media with business potential

The areas to install the media are important factors to the clients in making a decision to use of the services. The Company is focused on selecting and defining the installation location by making a thorough research to quantify the density of the community in each area including the density of traffic. The Company, therefore, has installed a lot of billboards along the expressway of all stages including both medium and large billboards on motorways heading to Suvarnabhumi International Airport. The Company also has expanded the billboard installations to suburban areas and in the provinces

due to the expansion of the urban which will lead to business growth of billboard advertising. The Company has installed advertising billboards in the provinces, especially in the provinces which are the business centers or tourist destinations such as Chiang Mai, Phuket, and Chonburi.

2. A focusing on technology and innovation to increase the value of advertising media, including the addition of new types of advertising media.

The Company also focuses on using technology to increase the efficiency of existing media as well as seeking new innovation to add value to the media in order to meet the requirement of the market. The Company always searches for other advertising media as options for the clients by keeping pace with technologies, sending the team to observe the latest trends abroad including partnering with Clear Channel International Co., Ltd., a leader of OOH Media in Britain, in order to exchange the ideas and technology for better presentation and offer the clients more options to fulfill their marketing objectives.

3. Producing quality work to meet the needs of clients

The Company recognizes that quality work can build trust with clients and contributes to the ongoing business operations. The Company, therefore, gives priority on the quality of work and with its affiliates in the production advertisements to enable the Company to control the quality of the work even more closely. In some work pieces,

we have to hire other companies for production. However, the Company has its advertising production department responsible for quality control in terms of color and design to ensure that the work will be according to customer needs.

4. Partnering with those with experience in the business

Working with a partner who has experience in business enables us to learn of technology and new ways of doing business. At present, Master Ad Public Co., Ltd. has business partnerships with leading companies such as:

1. Clear Channel International Co., Ltd., a leading out of home media from the U.K. giving us an opportunity to the exchange of a variety advertising ideas in various forms.
2. Inkjet Images (M) Sdn. Bhd. (Malaysia), contributes to the exchange of technology in the field of printing large advertising which can accommodate the print job either in the form of In Door or Out Door.
3. VGI Global Media Public Co., Ltd. ("VGI") At present, VGI holds 24.89% of shares in the Company making VGI a major shareholder which leads to the exchange of knowledge and business collaboration. VGI has been appointed as sales representative of the advertising media for the Company. This will help cost management be more efficient and enable the Company to focus on expanding the area to provide more comprehensive services including investment and development of new materials to meet the demand and rapidly changing technologies.
4. Collaboration with JUPITER SMART TECHNOLOGY, an investing partner to install testing equipment of I Beacon transmission from the bunting area under the BTS stations to connect O to O (Offline to Online) with the smartphones of the Company's viewers who are urbanites who spend daily life in the BTS Skytrain. The Company is expected to benefit from the use of

the database of the target that uses apps to link with I-Beacon for the benefits to advertisers to direct access to the target audience.

5. The collaboration within the group of major shareholders including VGI and Rabbit to enable network of Out of Home Media combined with the use of online media, Mass Transit Media and other media seamlessly to meet the advertisers' requirements effectively.

5. Establishing a good relationship with clients

Master Ad Co., Ltd. (Plc) has focused on building strong relationships with clients constantly. In addition to providing fast, quality service and meet the promises made to clients, we also plan for activities that will strengthen clients' relations to enhance brand awareness and be the first in clients' mind.

Target Groups

The clients can be classified into 2 main categories according to the characteristics of contact as follows:

1. Agency
The advertising agency acts as agent for the owner of a product or service and arrange with the Company for production and install the billboards for the products or services of its clients.
2. Direct Client
Namely, private as well as government organizations and enterprises in general who own the products or services. These clients will contact the Company directly and not through advertising agency so that the Company will handle the production and installation of the billboards in accordance with the format agreed.



Proportion of clients for the year 2016.

Proportion of clients	Amount	%
Agency	62	27
Direct	156	68
Government	11	5

proportion of 10 major Clients to total revenue for the past 3 years.

Proportion of clients	2014	2015	2016
Proportion of 10 major Client to total revenue (%)	44.92	62.96	71.54

Distribution and sale Channels

In advertising sales of the Company, channels of distribution can be summarized as follows:

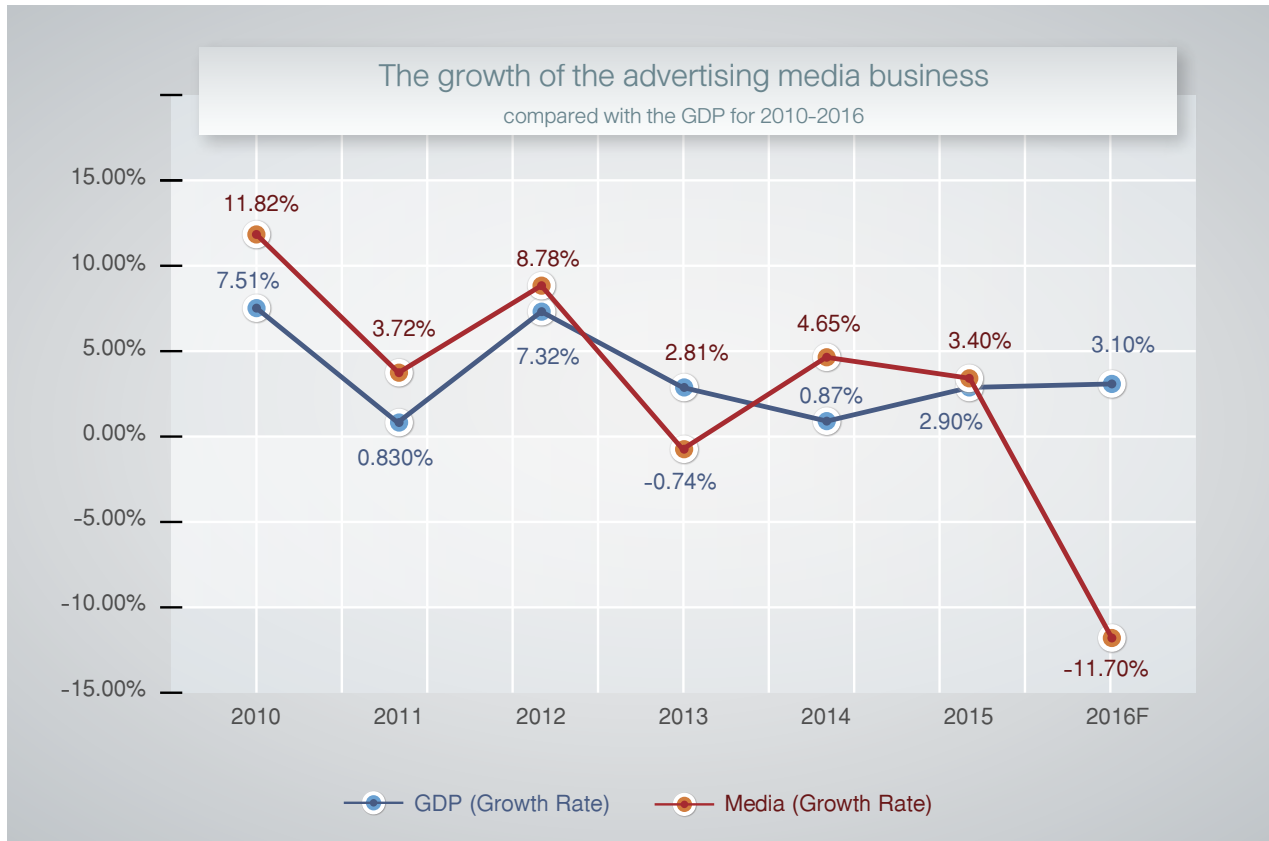
1. Through the Company's sales staff, the Company will contact the potential clients for choice of OHM suitable to the products and in the same time introducing the Company to them. The Company has prepared the sales documentation which describes in detail the various media types which is easy to understand and to make decision.
2. Through the media. Since our media is of OHM type, we thus can utilize it as the sales channel. Most of the clients would contact to the Company after seeing our billboards which has the Company's name and telephone number.
3. Through various media, including:
 - Company's website: www.masterad.com, where the clients can access initial information of the Company.
 - Other electronics media: E - mail, Facebook (Fan page) and E-newsletter
 - Printed materials

These distribution channels have been well managed to maximize our sales. After a client has contacted us, the Clients' Relations will inquire of the client's needs in the primary and forward the client to the Sales and Marketing Department which is experienced in selling the media to handle the client afterwards.

Pricing Policy

In pricing of billboard media and media production services, the Company's pricing policy is based on the following factors:

1. Media spot: Because most of the Company's advertising spots are in Prime Locations and denser communities, this allows the Company to set high rental rates for advertising media.
2. Rental and installations costs: Rental cost of installation and the cost of construction will affect the pricing of advertising media.
3. Production cost: Production cost in terms of size and the resolution of the work such as the production of Trivision media is more expensive than the production of Billboard. The cost of Trivision media, therefore, is higher than Billboard.
4. Media purchasing volume: In general, one product will use 2 - 3 media spots. To motivate customers to use more media, the Company may offer a reasonable price when the client uses multiple media spots or several media types.
5. Operational cost: In pricing, the Company takes into account other relevant costs both variable costs directly associated with the media such as rent, premiums, electricity bills, tariffs, and maintenance and constant costs such as employee salaries to enable the Company to make a profit from its operations.



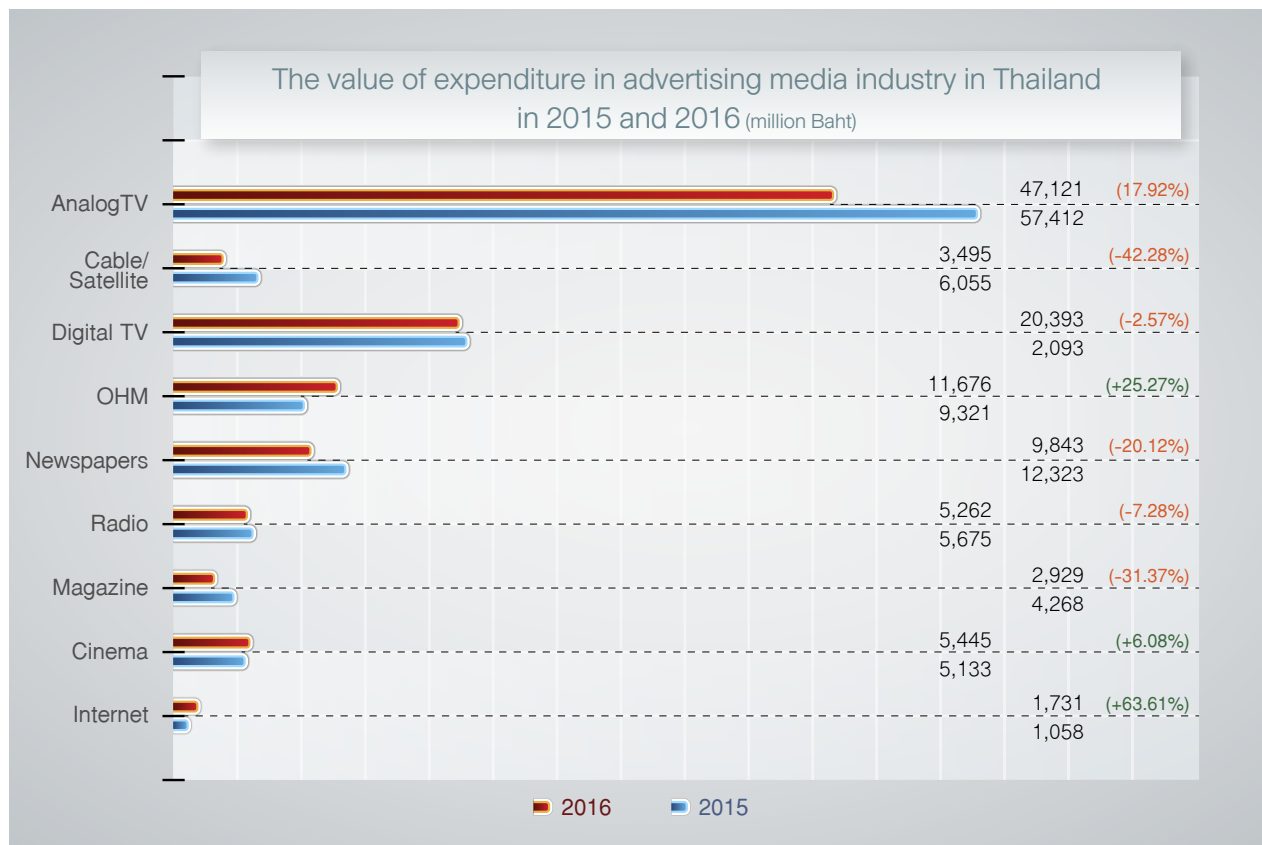
Industry trends and the competitive environment in the industry

In 2016, the economic was in volatility and various events caused advertising slowdown especially in the 4th quarter. However, the Media Agency Association of Thailand or MAAT predicted that in 2017 the economy will be gradually improved due to government stimulus policies and the relaxation of the situations. It is expected that the industry would increase by 3 - 5% in line with economy.

The overall advertising industry expenditure in 2016 totaling 107,896 million Baht, an 11% decrease from 2015; most expenditure was for analog TV at 47,121 million Baht, a 17.92% decrease from 2015 followed by digital TV at 20,393 million Baht a 2.57% slightly decrease from 2015 and newspaper at 9,843 million Baht a 20.12% decrease.

In addition, media with reduced advertising expenditure such as cable/satellite TV with a total advertising expenditure spent 3,495 million Baht, a 42.28% decrease from 2015; radio 5,262 million Baht, a 7.28% decrease; and magazine 2,929 million Baht, a 31.37% decrease.

The media with the advertising expenditure increased from 2015 including the media in the cinema with an increase of 5,445 million Baht or 6.08%, Out of Home Media with an increase of 5,665 million Baht or 35.20%, Transit media (BTS and MRT) with an increase of 5,311 million Baht or 18.39%, Point of Sale Media with an increase 700 million Baht or 8.53% and Online Media 1,731 million Baht with an increase or 63.61% which is the most growth compared to other media.



Today, the Out - of - Home Media is a fast changing media and much affected by “Digital technology” leading to Digital Out Of Home or DOOH phenomenon with the picture and sound as well as technology to be combined with media. It is expected that within 2016 there will be such media increasing more than 500 monitors nationwide, a percentage of 60% in Bangkok and 40% in other provinces which will increase the rate of using the Out of Home Media even more.

In 2016, billboards, mobile media and in-store media grew more than 20% while the overall advertising media industry had a negative growth at - 12%. The growth of the Out of Home Advertising against the advertising industry is due to its capacity to meet the urbanites’ lifestyle who spend average of 12 hours outdoors as well as the development of media in the form of digital billboards (LCD Monitor) combined with technology that makes Out of Home Media gain more attention of consumers. It also provides communication at the point of sale that can stimulate purchase decisions

and provide special offers through the In-store Media. While Transit Media growth depends on the expansion of mass transit route, the increasing number of passengers and the development of new media in the trains and around the stations.

In addition, the expansion of urban areas in the province due to trade, investment, retail space and the AEC has caused the development and expansion of the Out of Home Media to increase especially the investment in changing the static billboards to the digital monitors.

For 2017, MAAT predicted that the advertising industry would enjoy a 3 - 5% increase with TV, Out of Home Media and Online Media as the high potential media if the economy and the purchasing power resume an expansion again from being the media that reaches a broad of target groups.

Today “TV” is still a primary media to reach Thai households across the country with a proportion of 98% while the number of Internet users has grown constantly as well. The expansion of the 3G and 4G networks across the country has resulted in the increased use of mobile Internet. Today, the proportion of Internet users is 60 - 70% of the population, making digital media an important channel of communication to reach consumers reflecting from the digital media ad spending growth over 5 years. For the Out of Home Media in the billboards category, the Digital Billboard Technology has been used to replace the still billboards nationwide due to the urban and economies development in the provinces. While Transit Media that has grown from the expansion of mass transit route is the media that fulfills the lifestyle of the consumers nowadays.

Due to the business integration between MACO and VGI, the strong points of both companies has been utilized to create more business strength in accordance with the expansion plan of MACO's Out of Home Media furthering to the use of the media mix between MACO, VGI and RABBIT in order to run a progressive move of the media on the online platform.

MACO has now begun to change from pure Static Media to Digital Media to be in line with the trend of today's consumers. The installation points are located in the business center of the high potential provinces. Also, due to the merger with Multi Sign Co., Ltd., a still billboards operator with more than 800 billboards in the central business district across the country, it will increase advertising media network of MACO and will impact on the operations of MACO to be successful as planned.

After Sales Service

The Company recognizes the importance of providing after sales services under the policy MACO MAX Service. We arrange the photos of the finished billboard delivered to the clients after the clients have signed for the approval as well as reporting the billboard's condition on a monthly basis.

The production team will monitor the condition of the billboards, the neatness and the illumination of all types of advertising media within 25 days of every month in order to report the status of the billboards with photos to the clients throughout the contract.

The Company also recognizes the importance of providing maintenance services and to correct the problem immediately for the sake of effectiveness and maximizing the advertising. The Company has established a Hotline call: 08 1811 9811 to receive complaints, defected billboards, billboard conditions and other failures for 24 hours. If a client finishes the contract, the Sales and Marketing Department is responsible to offer more support to encourage the client to continue using the service for a longer term.



I Risk factors

The Company recognizes the importance of risk and Risk Factors that may occur in the Company's business. It has established and assigned the Risk Management Committee to consider the risks that may affect the Company as a whole both the internal and external factors, risk assessment and layout the risk management structure of the organization. The issues to be considered in the risk assessment are taken from the organization's business plan prepared each year. Approach to Risk Management must comply with the objectives, goals and strategies of the Company. There will be monitoring as well as reports on assessment, method to manage risk and the results from risk management to the Audit Committee constantly.

The risk to business operations of the Company

1. The risk of slowdown in economy

In 2016, the world economy was still uncertain. The capital markets were volatile. Oil prices in the global market declined. The downturn of the US economy impacted on the national economy as a whole. Agricultural prices dropped significantly causing the farmers lack of income and purchasing power. Despite government measures to stimulate the economy and tax measures to stimulate domestic spending and the tourism industry including the promotion for many of the mega-projects, but the decreasing oil prices in the global market did not result in reducing the price of domestic goods at all. People were cautious in their spending. The consumption of goods and services dropped affecting domestic purchasing power and sales of many businesses as well as the growth of the economy. There was also a slowdown and the suspension of advertising media in the last quarter of the year. Entrepreneurs are considering the use of advertising media to achieve the best value for money while waiting for the clarity of the economy such as real estate, telecom, and consumer groups.

However, the Company found that the slowdown was just a short time. A large number of customers were continuing to plan for media buying of the Company's advertising media continuously including new advertising media that attract customers which helped to increase the use the Company's advertising media constantly. Despite a lower turnover which may derive from several factors both internal and external, the Company was able to reduce risk and liquidity management with the clients at a satisfactory level. In the past year, the number of the Company's outstanding debt or set aside has not increased at all. Debtors can even settle obligations to the Company within the time limit and the Company can manage client accounts efficiently.

2. Legal risks related to billboards and accidents that might occur

The Company has been focusing on the law controlling billboards and has a working group to monitor the improvement of the law continuously. The Company has implemented a risk management on billboards with the focus on the design and construction by the engineers and assigned the inspecting company that has been registered with the Department of Public Works and Town Planning to inspect the structure of the buildings and certified all the billboards to receive the Building Inspection Certificate (Ror. 1) including coordination with the MAAT to ensure the stability of the billboards to minimize the chance of damage to compensate for the accident. The Company has insurance to cover the occurrence to property and third parties as well.

3. Risks arising from changes in consumer behavior in the digital and Online age

In 2016, the advertising budget for the Digital Advertising has been rising steadily due to the trend of consumer behavior in the digital age has drastically changed from the original. The consumer has turned to online digital media and internet even more. Such media plays a role on the behavior of most consumers since such media is interesting, visually appealing and can quickly respond to customer needs and access to all target groups. The digital advertising media can very well meet the requirement for advertising the products and services. In the past, the Company had a large number of Static Billboards but at present the Company has planned to develop existing media and add new one to be digital media which is more interesting and easily draws the eye of the passersby. Such advertising media will be all over the country within 3 years which some have been already sold to the clients and gained quite a good response. We are confident that our digital media will generate good revenue for the Company.

4. The risk of reliance on major agencies

In the business of advertising media, most clients are the agencies who will act as an agent of the owner of the products and services to deal and negotiate regarding advertising media. Therefore, the agencies play an important role in this business. The Company could be at risk if an agency does not recommend the Company's advertising media to the owner of products and services which may affect revenues and the performance of the Company. The Company, therefore, has focused on all major agencies. Our senior executives would meet these agencies to clarify business policy that is fair dealing and honestly as well as to present the Company's new advertising media to these agencies. The Company has a clear plan to improve and develop relationships with the agencies on a consistent basis and in the same time many agencies are getting involved with us to develop new advertising media to fulfill their requirements.

The Company is adding more billboard media networks such as digital advertising media that are designed to decorate the city (Street Furniture), small and large billboards at the locations with big audience in Bangkok and nationwide covering all target groups and can satisfy the clients who purchase advertising media in terms of cost and effectiveness. We believe that the Company's new advertising media will be popular and well received by our clients in all groups of products and services.

The Company also maintains high standards of service to clients consistently. We have management system to provide clients with accurate and fast services as well as to monitor and supervise the repair of advertising media, including the report on the condition of the billboard to clients that gives the clients with confidence to continue using our service.

5. The risk of an obligation with counterparty that may affect the performance of the Company

The Company has leased billboard and signage on a long-term basis with the owner of area to ensure that the Company will have the billboards available stable for a long period and prevent competitors to take the advertising area but this will result in the obligation to pay the rent for the future over the life of the contract. If the Company cannot make money from advertising media as planned, its financial position and the performance would be affected. However, the long-term rental agreements with owner of the area have a positive impact on the operations of the Company rather than as a risk since the Company will receive the certain revenue from advertising media. The Company has handled the contract properly. Every time of the renewal, we will review the cost of space rental and billboard structure rental so all would be in line with revenue.



6. The Risk from inability to renew or extend concession or lease contract.

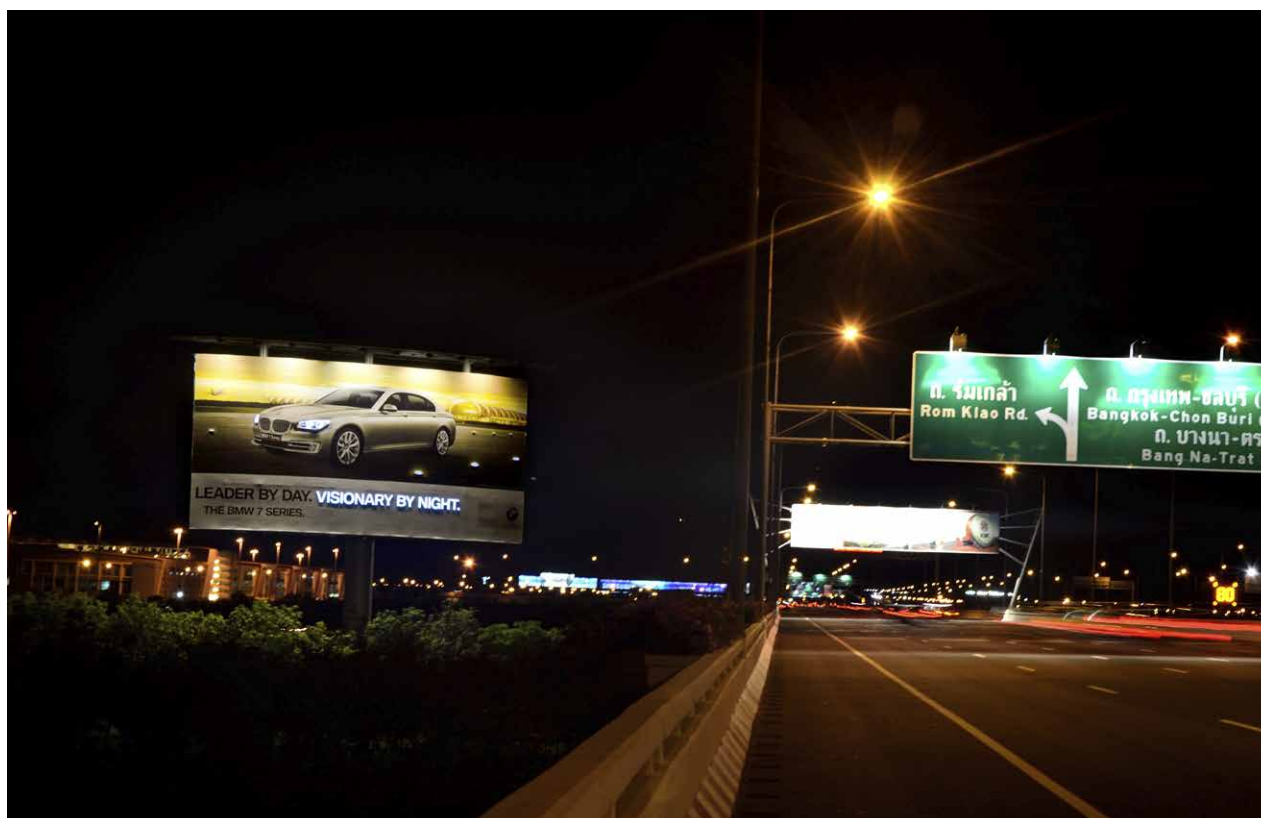
The main factor of the Company's business operation is that the installation areas for advertising media are obtained from the concession contract with the government and the rental contract with the private owners. Because the Company shall have the obligation specified in those contracts, the Company is at risk if it cannot renew the leased area or in case of termination. If the lessor needs to use the leased premises, the Company's ability to earn the revenue and its future financial position would be affected.

Over the years, the Company has complied with the terms of the agreement with the counterparty as well as being cautious in using the area to prevent problems and solved the problems promptly. The Company thus has a good relationship with the owner of the concession/rental area and the contracts have always been renewed accordingly.

7. The risk that may be caused by the return in new advertising media fails to meet the estimates

Regarding investment in new media, if the return does not meet the estimates or cannot return as planned or any cause that prevents the Company to provide such advertising media services, its financial position and the performance would be affected.

The Company will apply negotiation and cost management to reduce the damage caused by the inability to generate returns by the estimates as well as adjust the sales approach and prices to meet the needs of clients and markets. At the same time, VGI as the parent company has a variety of advertising media that can arrange sales package in bundles to attract the clients even more.





Value added to our society and country by employment, exporting, and outdoor advertising media development to become a Street Furniture which absolutely decorates our city in a part.



I General Information

Company Name	: Master Ad Public Company Limited. (MACO)
Registration No.	: 0107546000113
Type of Business	: Providing advertisement services through the supply of Out of Home Media and engagement in the filed fo Entertainment
Market	: SET
Industry	: Services
Sector	: Media & Publishing
Registered capital	: 409,521,187.50 Baht
Paid - up capital	: 334,296,950 Baht Comprised of 3,342,969,500 ordinary shares. 0.10 Baht.

Headquarter Office	: 1 st , 4 th - 6 th Floors Soi Ladphrao 19, Ladphrao Road, Jomphol, Chatuchak, Bangkok, 10900
Telephone	: 02 938 3388 Fax.02 938 3489
Website	: http://www.masterad.com
Investor Relation	: Tel. 02 273 8639 Email address : Pornpimol@masterad.com; ir@masterad.com
Company Secretary	: Tel. 02 938 3388 Ext. 480, 487 Email address : tamonwan@masterad.com; sukjai@masterad.com

Reference

Dutie of Securities Registrar	: Thailand Securities Depository Co., Ltd. (TSD) No. 93, 14 th floor Ratchapisek Road, Dindaeng Bangkok 10400 Tel. 02 009 9000 Fax.02 009 992
Auditor	: EY Office Company Limited By Mr.Supachai Phanyawattano CPA. 3930
Address	: No.193/136 - 137 Lakeratchada Complex 33 th floor New Ratchada Klongtoey Bangkok 10110
Tel.	: 02 264 0777, 02 661 9190
Fax	: 02 264 0789-90

I Subsidiaries and associated companies information

As of 31 December 2016

Master & More Co., Ltd.

- **Type of Business** : Provide advertising media and production services of small format billboard
- **Address** : 4th - 6th Floor, 1, Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak Bangkok 10900
Tel.+66 (0) 2 938 3388, Fax.+66 (0) 2 938 3486 - 7
Website: www.masterad.com
- **Paid-up Capital** (THB) : 20,000,000
(Par value of THB 10 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 100

Landy Development Co., Ltd.

- **Type of Business** : Office Building for Rent
- **Address** : 4th - 6th Floor, 1, Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak Bangkok 10900
Tel. +66 (0) 2 938 3388
- **Paid-up Capital** (THB) : 40,000,000
(Par value of THB 10 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 48.87

Eye On Ads Co., Ltd.

(formerly know as MACO Ritesing Co., Ltd.)

- **Type of Business** : Provide production of Trivision equipment
- **Address** : 28/43 - 45 Vipavadee - Rangsit Road, Lardyaow, Chatuchak Bangkok 10900.
Tel. +66(0) 2 938 3388, Fax. +66 (0) 2 938 3486 - 7
- **Paid-up Capital** (THB) : 5,000,000
(Par value of THB 10 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 100

Inkjet Images (Thailand) Co., Ltd.

- **Type of Business** : Provides production of inkjet media
- **Address** : 28/43 - 45 Vipavadee - Rangsit Road, Lardyaow, Chatuchak Bangkok 10900
Tel.+66 (0) 2 936 3366, Fax.+66(0) 2 936 3636
Website: www.inkjetimagesthailand.com
- **Paid-up Capital** (THB) : 6,000,000
(Par value of THB 10 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 49.99

Green Ad Co., Ltd.

- **Type of Business** : Provide advertising media and production services of Tree wall panel
- **Address** : 6th Floor, 1, Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak Bangkok 10900
Tel.+66 (0) 2 938 3388, Fax. +66 (0) 2 938 3486 - 7
- **Paid-up Capital** (THB) : 225,000,000
(Par value of THB 5 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 100

Open Plays Co., Ltd.

- **Type of Business** : Provide advertising media and production services
- **Address** : 77/37 Soi permsin 24/1, Sukhapiban 3 Road, Khongthanon, Syamia Bangkok 10210
Tel.+66 (0) 2 938 3388, Fax.+66 (0)2 938 3486 - 7
- **Paid-up Capital** (THB) : 5,000,000
(Par value of THB 100 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 80 (held by Master & More Co., Ltd.)



Multi Sign Co., Ltd.

- **Type of Business** : Provide out - of - home advertising media and production services
- **Address** : 34/13 - 14 Moo 10, Borromratchachonnane Road, Sala Thammasop, Thawi Watthana Bangkok 10170
Tel. +66(0) 2 441 17612, Fax.+66(0) 2 441 1763
Website: www.multisign.co.th
- **Paid-up Capital** (THB) : 14,000,000
(Par value of THB 100 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** : 70 (held by Green Ad Co., Ltd.)

Eyeball Channel Sdn. Bhd.

- **Type of Business** : Provide out - of - home advertising media and production services in Malaysia
- **Address** : G - 1 - 11, Jalan PJU 1A/3 Taipan Damanasara 47301, Petaling Jaya Selangor Malaysia
- **Paid-up Capital** (THB) : MYR 500,000
(Par value of RM 1 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** :40
(held by MACO Outdoor Sdn.Bhd.)

MACO Outdoor Sdn. Bhd.

- **Type of Business** : Holding Company in Malaysia
- **Address** : G - 1 - 11, Jalan PJU 1A/3 Taipan Damanasara 47301, Petaling Jaya Selangor Malaysia
- **Paid-up Capital** (THB) : MYR 200,000
(Par value of MYR 1 per share)
- **Type** : Ordinary Shares
- **Shareholding (%)** :100

I Share holding structure

Shares of the Company

As of 31 December 2016, the Company recorded registered capital of 409,521,187.50 Baht, Paid Up Capital 334,296,950 Baht. comprising 3,342,969,500 common shares at registered value of THB 0.10 per share.

(The increase in the registered capital of the Company by Baht 75,224,237.50 is to accommodate the exercise of MACO - W1 Warrants)

Top 10 Major Shareholders (as of December 31, 2016)

	Name	No. of Shares	% of Total
1.	VGI Global Media PCL.	1,129,325,500.00	33.78
2.	NORTRUST NOMINEES LIMITED - GUERNSEY RE GGDP RE: AIF CLIENTS 10 PERCENT ACCOUNT	334,751,300.00	10.01
3.	Maneerattanaporn Group		
	Miss.Pornrat Maneerattanaporn	96,228,300.00	2.88
	Mr.Panit Maneerattanaporn	55,976,700.00	1.67
	Mr.Phiched Maneerattanaporn	48,057,020.00	1.44
	Miss.Pattra Maneerattanaporn	40,031,640.00	1.20
	Total	240,293,660.00	7.19
4.	Tansalarak Group		
	Mr. Noppadon Tansalarak	104,973,792.00	3.14
	Mr.Tanphong Tansalarak	80,951,460.00	2.42
	Miss.Yanisa Tansalarak	49,659,650.00	1.49
	Total	235,584,902.00	7.05
5.	N.C.B.TRUST LIMITED - NORGES BANK 11	79,273,600.00	2.37
6.	THAI NVDR	70,787,670.00	2.12
7.	Mrs.Kittiya Jantaranim	56,492,730.00	1.69
8.	Mr.Pasuth Laohavilai	34,367,710.00	1.03
9.	CHASE NOMINEES LIMITED	33,515,400.00	1.00
10.	Mrs.Chonlada Fuwattanasilapa	30,218,220.00	0.90
	Total (Top 10)	2,244,610,692.00	67.14
	Other shareholders	1,098,358,808.00	32.86
	Total	3,342,969,500.00	100

Remarks: 1VGI Global Media Public Co., Ltd. which holds 33.78% is a listed company on the Stock Exchange of Thailand provding Network services, Lifestyle Media, namely:

(1) Advertising in mass transit (BTS)

(2) Media in offieces and others Major shareholders are Mass Transit Public Co., Ltd. 51% and BTS Group Holding Public Co., Ltd. 10.84%



Other Securities Issued

The Extraordinary General Meeting 1/2014 has approved the issue of Warrants to Purchase Newly Issued Ordinary Shares of Master Ad Public Company Limited (the “MACO - W1 Warrants”). The details as follows.

Summary of Key Features of Warrants to Purchase Newly Issued Ordinary Shares of Master Ad Public Company Limited (“MACO - W1 Warrants”)

Name	: Warrants to Purchase Newly Issued Ordinary Shares of Master Ad Public Company Limited (the “ MACO - W1 Warrants ”).
Type	: In named certificate and transferable.
Allocation methods	: MACO - W1 Warrants shall be issued and allocated to existing shareholders of the Company pro rata to their respective shareholdings (Rights Offering) at the allocation ratio of four existing ordinary shares (with a par value of Baht 0.10 per share) for one unit of the MACO - W1 Warrants (4:1)
Number of warrants issued	: 752,242,375 units.
Price per unit	: Baht - 0 -
Exercise ratio	<p>: One unit of MACO - W1 Warrants for one ordinary share (at the par value of Baht 0.10 per share), unless the exercise ratio is adjusted otherwise pursuant to the conditions concerning the rights adjustment.</p> <p>Any fractions derived from the calculation based on the ratio set forth shall be rounded down.</p>
Exercise price	: Baht 2.00 per share, unless the exercise ratio is adjusted otherwise pursuant to the conditions concerning the rights adjustment.
Issuance date	: November 3, 2014
Allocation ratio	: Four existing ordinary shares (at the par value of Baht 0.10 per share) to one unit of MACO - W1 Warrants. In calculating the number of the MACO - W1 Warrants to be allocated to each shareholder, any fractions derived from the calculation based on the allocation ratio set forth shall be rounded down. In this regard, after the calculation of the allocation ratio of the Warrants to the shareholders, any fraction thereof will be cancelled in order that the Warrants will be proportionately allocated to the shareholders.
Term of the MACO - W1	: Three years from the issuance date of MACO - W1 Warrants

Exercise period	: The warrant holders shall be entitled to exercise their rights under the MACO - W1 Warrants to purchase newly issued shares of the Company for the first time on the second anniversary of the issuance date. The first exercise date will be the last business day of the first quarter following the second anniversary of the issuance date and the last exercise date will be the date of the third anniversary of the issuance date. In the event that the first or last exercise date does not fall on a business day, it will be the preceding business day.
Period for serving a notice of intention to exercise the MACO - W1 Warrants	: The warrant holders who wish to exercise their right to purchase the newly issued ordinary shares of the Company shall notify their intention to exercise the MACO - W1 Warrants within five business days prior to each exercise date. In the event that the intended exercise date does not fall on a business day of the Company, it will be the preceding business day, with the exception of the last exercise date whereby the warrant holders will notify their intention to exercise the MACO - W1 Warrants within a period of 15 business days prior to the last exercise date.
Irrevocability of notice of intention to exercise the MACO - W1 Warrants	: The intention to exercise MACO - W1 Warrants shall be irrevocable when a notice of intention to exercise MACO - W1 Warrants is served.
Numbers of ordinary shares reserved to accommodate the exercise of the MACO - W1 Warrants	: No more than 752,242,375 shares with the par value of Baht 0.10 per share, equivalent to 22.50 % of the current total issued shares of the Company (as of October 31, 2016 The Company had registered additional shares of 334 million shares to be listed on the Stock Exchange of Thailand. Recently, the Company has a total of 3,343 million ordinary shares and the ratio of ordinary shares reserved for the exercise to the current number of outstanding shares of the Company ratio is 22.50 per cent).
Secondary market of the MACO - W1 Warrants	: The Company has filed the application for listing the MACO - W1 Warrants on the Stock Exchange of Thailand as the listed securities on November 14, 2014.
Secondary market of the shares issued upon of the MACO - W1 Warrants	: The Company will list ordinary shares issued upon the exercise of the MACO - W1 Warrants on the Stock Exchange of Thailand as the listed securities.



I Dividend Payment Policy

Dividend Payment Policy of MACO

The company establishes dividend payment policy to the shareholders at the rate of not less than 50% of net profit after corporate income tax and legal reserves. However, this depends significantly on the economic status and the future operations as well.

Dividend Payment Policy Of Subsidiaries

The company establishes dividend payment policy to the shareholders at the rate of not less than 50% of net profit after corporate income tax and legal reserves. However, this depends significantly on the economic status and the future operations as well.

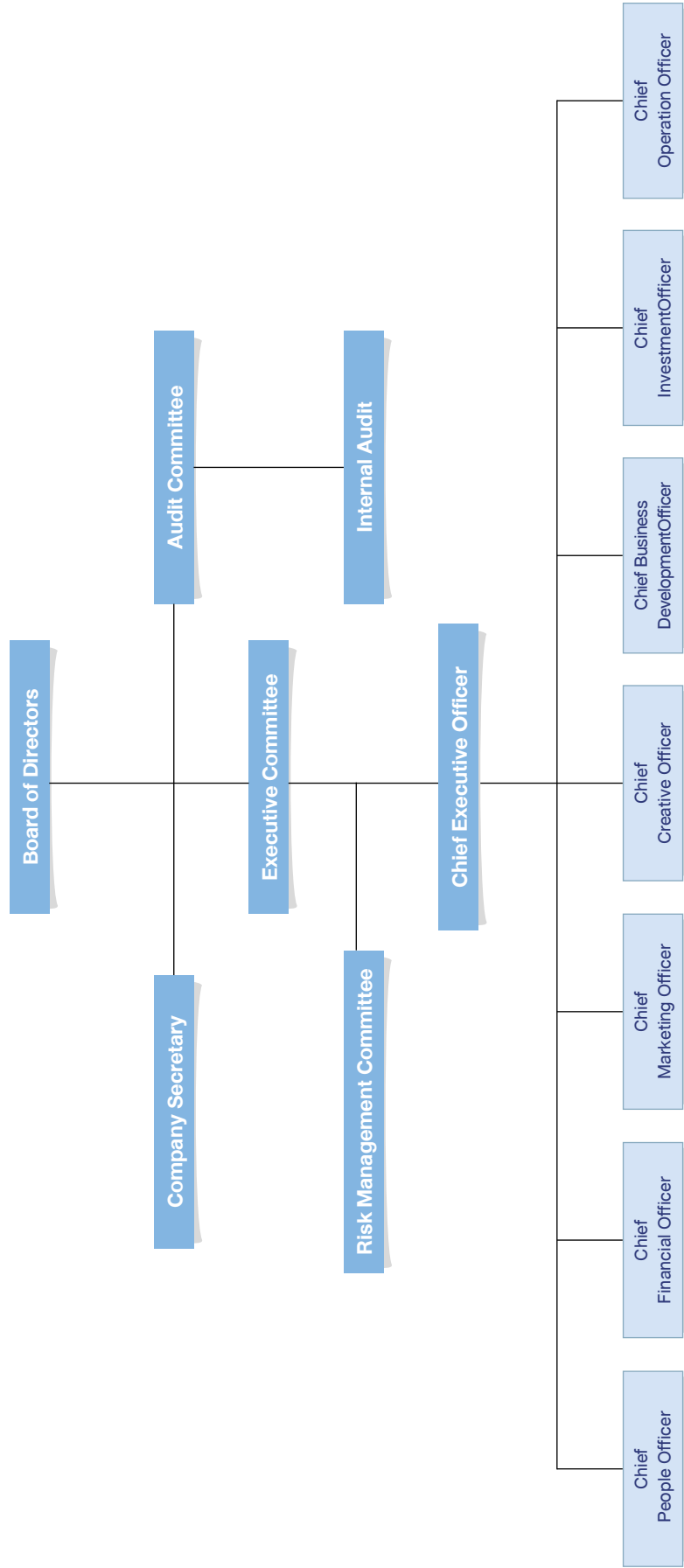
The details of dividend payment are as follow:

Dividend Payment	2014	2015	2016
1.Net profit			
- Separate Financial Statement (THB.mn.)	115.38	111.41	99.16
- Consolidate Financial Statement (THB.mn.)	133.47	170.65	102.00
2.No. of share (Million)			
- Intermim Dividend (Baht/Share)	300.89	3,008.96	3,008.96
- Annual Dividend	3,008.96	3,008.96	3,342.96
3.Dividend per share			
- Interim Dividend payment (Baht/Share)	0.25	0.018	0.018
- Total Dividend (THB.mn.)	75.22	54.16	54.16
- Annual Dividend (Baht/Share)	0.014	0.030	0.011
- Total Dividend (THB.mn.)	42.13	90.27	36.77
4.Total (THB.mn.)	117.35	144.43	90.93
5. Percentage of dividend on net profit after allocation of reserve as required by law			
- Separate Financial Statement	101.71%	129.64%	91.71%
- Consolidate Financial Statement	87.92%	84.64%	89.15%

The rights to receive annual dividend 2016 is uncertain because it has not yet been approved by the 2017 Annual General Meeting of shareholders on April 24, 2017.

I Management Structure

As of 31 December 2016, the Company's management structure consists of the Board of Directors and the 3 Sub - committees: The Auditing Committee, the Executive Committee and the Risk Management Committee with the following operational structures:





I Board of Directors

As of December 31, 2016 the Board of Directors of Master Ad Public Co, Ltd. is composed of 9 members.

- 5 Non - executive directors: Mr. Mana Jantanayingyong, Mr. Chaityasit Phuwaphiromkwan, Mr. Surachet Sangchayosawat, Mr. Chavin Kalayanamitr and Miss. Daranee Phanklin
- 3 Independent directors: Mr. Paisal Tarasansombat, Mr. Danai Tangsriviriyakul, Mr. Chalush Chinthammit.
- 1 Executive director: Mrs. Suparanan Tanviruch

Mr. Paisal Tarasansombat, an independent director is the Chairman of Audit Committee. Mr. Danai Tangsriviriyakul and Mr. Chalush Chinthammit, also the independent directors. Mr. Chalush Chinthammit has the knowledge and expertise in financial accounting and Miss Tamonwan Narintavanich is the Company Secretary.

List of Board of Directors as of December 31, 2016.

Name		Position
1. Mr. Mana	Jantanayingyong	Chairman of the Board of Directors
2. Mrs. Suparanan	Tanviruch	Director
3. Mr. Chaityasit	Puvapiromkuan	Director
4. Mr. Surachet	Sangchayosawat	Director
5. Mr. Paisal	Tarasansombat	Independent Director
6. Mr. Danai	Tangsriviriyakul	Independent Director
7. Mr. Chalush	Chinthammit	Independent Director
8. Mr. Chavin	Kalayanamitr	Director
9. Ms. Daranee	Phanklin	Director

Remark: 1. Executive Director refers to a person who has management authority, receiving monthly salary and appointed as a Director.
2. Non-executive Director refers to a director who has no managerial position in the Company, and no monthly salary,
3. Independent Director refers to a Director who has no managerial position but shall have qualifications as specified by SEC and SET.

Authorized signatory on company certificate.

"Mrs. Suparanan Tanviruch, Miss Daranee Phanklin, Mr. Surachet Sangchayosawat and Mr. Chavin Kalayanamitr any two out of these four directors jointly sign with the company's seal affixed."

Scope of Authority and Responsibility

The board members shall have the following authorities and responsibilities.

1. Manage the Company by deploying their best knowledge, capability, and experience for the best interest of the Company's business operation. Such management shall prudently abide by the Company's regulations, objectives, bylaws, and the shareholder's meeting

resolution, in order to retain the best interests of the Company and to assume its responsibilities for the shareholders.

2. Review and approve the Company's operational policies and directions proposed by the Executive Committee, except for issues which require approval of the shareholder's meeting, including other issues which are required by the law to be assented by the shareholder's meeting.
3. Oversee the Executive Committee to efficiently adhere to the stipulated policy. Additionally, the Board shall inform the Executive Committee to present issues in substance to the Company's operation as well as connected transactions, among many others, in conformity with the regulations and bylaws of the Securities

and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). As for the significant decision for the business operation, the board members may seek specialized professional advice or comment from external consultants.

4. Supervise the Company adopting efficient internal control systems and internal audits. In addition, the Board has rights to decide and oversee overall operations of the Company, except for the following issues for which they require the approval from the shareholders' meeting before operation.

4.1 Issues which are required by the law to pass the shareholders' meeting resolution first

4.2 Issues of connected transaction as stipulated by the rules and regulations of the Stock Exchange of Thailand on criteria, approach, and disclosure of a registered company's connected transaction.

4.3 The purchase and sales of important property shall conform to the SET rules and regulations on criteria, approach, and disclosure of receipt and disposal of a registered company's asset.

In 2016, the Board of Directors had roles and responsibilities to the Company as follows.

1. Duty to consider and give approval on important matters concerning the operations of the Company in 2016, hearing and give feedback on the Company's annual operating plan which the Board of Directors had directed to ensure the management team to operate according to the policies and plans effectively.
2. Provided an effective internal control system, both the financial report and practical aspects as the Company's regulations and policies, and also provided the internal audit by I V L Auditing to monitor the internal control system of the Company and report directly to the Audit Committee to ensure independency in performing the duties.

3. Provided the Internal Risk Management Committee and defined the risk management policy to cover all organizations to reduce business risk and support the operation of the Company to be more efficient.
4. Arranged for the Corporate Governance Policy and business ethics in writing for the Board and employees to comply with as well as published on the Company's website at www.masterad.com/investor-relations.
5. Approval of the quarterly financial statements and annual financial statements 2016.
6. Approved the capital Increase to Private Placement for ASHMORE OOH MEDIA.
7. Approved the investment in Multi Sign Company Limited.
8. Approval of the capital increase in the Green Ad Company Limited for 495 million Baht.
9. Reviewed and approved the vision, the mission and strategy of the Company in order to comply with the changes in business and technology to increase the competitiveness.

Authority of the Board of Directors

The Board of Directors has the authority to decide and oversee the general operation of the Company in accordance with the scope of authority and duties of the Directors. The Company has assigned the Board to consider and study the governance and management of the Company. All directors are free to comment on the performance of the Company, to supervise the implementation of the management to be efficient and transparent.

Term of Office of the Board of Directors

In each Annual General Meeting, one third of Directors shall retire. If the number cannot be divided in a round number, the retired number shall be closest to the one third. However the retired Director can be reelected. Other than retirement at the end of office term, a Directorship may be terminated by:



Termination of Office of the Board of Directors

Termination of office according to the Public Company Act besides being retired after the term, a director may be removed from the office upon:

1. Death
2. Resignation
3. Being disqualified as a director or prohibited under the Public Company Law or having a manner that reflects the lack of suitability to be entrusted for management of the business having the public as the shareholders as provided in Article 89/3 of Securities and Exchange Act (Edit. 4) B.E. 2551.
4. The shareholders meeting resolved to retire (with the votes of not less than three - fourths (3/4) of the number of shareholders present and entitled to vote with shares not less than one-half of the shares held by the shareholders present at the meeting and entitled to vote).
5. The court orders the resignation.

Any director who wishes to resign shall submit resignation letter to the Chairman of the Board. In the case of a director position becomes vacant due to reasons other than retirement by rotation, the Board of Directors shall appoint a person who is qualified and not prohibited by law as a director at the next board meeting unless the term of that director is less than 2 months by which he would be the director only for the remaining term of the director replaced.

Directors Holding Positions in Other Companies

Considering the performance of the Directors who may hold positions in various companies and to ensure that Directors can devote time to perform their duties in the Company adequately, the Company determines the amount companies that each director can be positioned to suit the nature or conditions of business of the Company to be not more than 5 listed companies. This is because the performance of their duties as Directors may decline if the numbers of companies they serve as Directors are too many.

The quorum of the Board of Directors

In the meeting of the Board and subcommittees, the members must attend at least one-half of the total membership to constitute a quorum. If the Chairman is not present or is unable to perform the duties and the Vice Chairman is present, the Vice Chairman shall preside over the meeting. If the Vice Chairman is not present at the meeting or can not perform the duties, the members present shall elect a chairman of the meeting. Minimum number of quorum at the time of voting at a meeting of the committee, there must be at least 2 out of 3 of its members that entitled to vote at the meeting. Decisions of the meeting shall be by majority. Each director has one vote except the director who has an interest in a particular subject will have no voting rights. If a tie, the Chairman of the meeting shall be the arbiter.

Board of Directors Meetings

- 1) The meetings must be at least 4 times a year with scheduling for the year in advance and are subject to convene special meetings as necessary.
- 2) Chairman and Chief Executive Officer will oversee and give consent to the agenda.
- 3) Company Secretary shall send notice of the meeting, the agenda and documents for the meeting to the Directors at least 7 days in advance to allow ample time for the Directors to study prior the meeting.
- 4) Chairman serves as the chairman of the meeting. He is responsible for time allocation of each agenda for the Directors to express their opinions independently on the key issues with regard to the interests of shareholders and stakeholders with fairness.
- 5) In the meeting of the Directors, the Stakeholders with significant involvement in the topic shall leave the meeting during the discussion of such matter.
- 6) Resolution shall be made by majority. If any Director disputes such resolution, the objection shall be recorded in the minutes.

- 7) In consideration of any issue, the Directors are entitled to look at or check the related documents or ask the management to clarify additional information.
- 8) Company Secretary shall take notes and prepare the report within 14 days, keep the minutes and meeting documents, follow - up support for the Board to act in accordance with the laws, regulations and resolutions of the shareholders' meeting as well as coordinate with the relevant parties.
- 9) The Company allows the non - executives to discuss among themselves without the Executive Directors present at the meeting. The non - executive directors are free to give feedback and comments that are valuable and useful to the operations of the Company at least once a year.

In 2016, the Board of Directors meeting, a total of 12 times.

Sub Committee

The structure of the company comprising the Board of Directors and Committees as follow.

- Audit Committee
- Executive Committee
- Risk Management Committee

The committee is responsible for each of the following aspect.

1. The Audit Committee

The Board of Directors will appoint the Audit Committee by considering from the independent directors. The Audit Committee has the following composition:

1. Consisting of at least 3 independent directors. The number of members would be based on the size, scope of responsibility and the efficiency of the operations. In general, the numbers are between 3-5 members.
2. Member of the Audit Committee shall have appropriate expertise on the mission assigned. Members of the Audit Committee are not all necessarily to be experts in the field of accounting or finance since the Audit

Committee could call for advice from independent experts on specific aspects. But each of them must be able to raise a straight to the point question and interpret as well as evaluate the answers.

3. At least 1 member of the Audit Committee should have knowledge or experience in accounting or finance and be knowledgeable about the reason for the change of financial reporting which would affect the performance of the Audit Committee be more effective since the main function of the Audit Committee as assigned is to review the financial reports for the best quality.
4. Member of the Audit Committee must be able to devote sufficient time to the operation of the Audit Committee.
5. Member of the Audit Committee should be trained and enhance the knowledge constantly and consistently in matters related to the operation of the Audit Committee in order to keep pace with the changes that may occur as well as the continuous knowledge about the operations of the Company in order to increase

Qualification of the Member of the Audit Committee

Member of the Audit Committee must be qualified according to the following criteria:

1. Holding not more than 0.5% of the paid-up capital of the Company, its subsidiaries, affiliates or related companies which shall be inclusive of the shares held by related persons.
2. Not participate in the management of the Company, its subsidiaries, affiliates or related companies or being a major shareholder of the Company.
3. Not being an employee or consultant who receives a salary from the Company, its subsidiaries, affiliates or related companies or being a major shareholder of the Company.
4. Not having the benefits or interest, whether direct or indirect, in the finance and administration of the Company, its subsidiaries, affiliates or related



companies or being a major shareholder of the Company before the period 1 year prior to appointment as a Member of the Audit Committee unless the Board of Directors has carefully considered that having the benefits of interest would not affect the performance and independent commenting.

5. Not being related person or close relative of the executive or major shareholder of the Company.
6. Not being appointed as a representative to safeguard interests of the director who is the Company's major shareholders or the shareholders who are related to the Company's major shareholders.

7. Able to act, comment or report on the performance as assigned by Board of Directors by not being under the control of the executive or major shareholder of the Company including those involved or a close relative of such person. (Those involved means those who are associated or affiliated with the Company to the point that the performance cannot be carried on freely or flexible such as suppliers, customers, creditors, the debtor or those significantly related in the business, etc.)

As at December 31, 2016, the Audit Committee of the Company comprises three independent committee members as follows:

Name		Position
1. Mr.Paisal	Tarasansombat	Chairman of Audit Committee
2. Mr.Danai	Tangsriviriyakul	Member of the Audit Committee
3. Mr.Chalush	Chinthammit	Member of the Audit Committee
		Knowledge and experience in auditing financial statements.

Scope of Authority and Responsibility

The Audit Committee has the following scope of authorities and duties.

1. To review the company's financial statement for accurate, reliable and sufficient disclosure.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and disMs.al of the chief of an internal audit unit or any other unit in charge of an internal audit and annual internal audit plan.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.

4. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
5. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - 6.1 an opinion on the accuracy, completeness and creditability of the Company's financial report.

- 6.2 an opinion on the adequacy of the Company's internal control system,
 - 6.3 an opinion on the compliance with the law on securities and exchange, the exchange's regulations, or the laws relating to the Company's business,
 - 6.4 an opinion on the suitability of an auditor,
 - 6.5 an opinion on the transactions that may lead to conflicts of interests,
 - 6.6 the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - 6.7 an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
7. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee. Nonetheless, the Audit Committee is disallowed to approve any transaction in which there are potential connections, equity, or conflicts of interests between them or a third party and the Company or its subsidiaries.

The term of Office

In the meeting of the Audit Committees, the members must attend at least one - half of the total membership to constitute a quorum. If the Chairman is not present or is unable to perform the duties and the Vice Chairman is preset, the Vice Chairman shall preside over the meeting. If the Vice Chairman is not present at the meeting or can not perform the duties, the members present shall elect a chairman of the meeting.

Minimum number of quorum at the time of voting at a meeting of the committee, there must be at least 2 out of 3 of its members that entitled to vote at the meeting. Decisions of the meeting shall be by majority. Each director has one vote except the director who has an interest in a particular subject will have no voting rights. If a tie, the Chairman of the meeting shall be the arbiter.

Audit Committee's Meetings

Audit Committee should meet at least 4 times a year to consider matters according to the duties as assigned. In each meeting, the agenda must be made clearly ahead of time and submitted to the Audit Committee and the participants in advance with reasonable time to review or request for further information. In 2015, the Audit Committee had 4 meetings.

2. The Executive Committee

As of February 9, 2016, the Executive Committee is comprised of 8 members as follows:

Name		Position
1. Mrs.Suparanan	Tanviruch	Chairman of Executive Committee
2. Mr.Jutha	Jaruboon	Executive Committee
3. Mr.Yanis	Tipakorn	Executive Committee
4. Mr.Nitus	Tungsangprateep	Executive Committee
5. Miss.Tamonwan	Narintavanich	Executive Committee
6. Miss.Rodjana	Trakulkosri	Executive Committee
7. Mrs.Uraiwan	Boonyarataphan	Executive Committee
8. Mr.Chakkrit	Khemthong	Executive Committee



Scope of Duties and Responsibilities of the Executive Committee

1. Define policy, direction, and strategy and management structure of the Company's business to be consistent and suitable for economic and competitive conditions and propose to the Board of Directors for approval.
2. Determine the business plan, budget and administrative power of the Company to propose to the Board of Directors for approval.
3. Inspect and monitor the performance of the Company in accordance with approved policies and business plans to ensure efficiency and effectiveness and report the results to the Board of Directors.
4. Consider approving the contract and/or any transactions relating to normal business operations or the regular business support of the Company (such as trading, investing or co - investing with other persons to support the operation by the Company's objectives) within the limits approved by the Board of Directors.
5. Consider investment approval and set the investment budget up to 20 million Baht.
6. Consider approving loans and applying for any loans from financial institutions, lending as well as mortgaging pledged obligations or as a guarantor of the Company and its subsidiaries within the limits approved by the Board of Directors.
7. Consider and approve transactions between the Company and its subsidiaries with directors, executives or related persons which are
 - (1) normal business transactions and general trading conditions;
 - (2) normal business transactions subject to general trading conditions which has computable remuneration within the limits approved by the Board of Directors.
8. Approval of contact for registration with a government agency or the regulator of the company's business as well as payments that the Company is obliged to pay by law. This includes but is not limited to fees and/or taxation on behalf of the Company for the purpose of operating the Company's objectives.
9. Corporate's risk management, evaluate the risks and lay down the corporate risk management structure.
10. Approval of the opening/closing a bank account and the use of related banking services including the authorized person to pay for the Company's bank account.
11. Consider and approve the supervision of normal business operations of the Company or the day - to - day operations of the Company. Such matters include but are not limited to compensation policy, employee salary structure, the normal cost of the company and the lawsuit by the Company or when the Company is sued (which the Executive Committee deems necessary and appropriate).
12. Consider screening projects, contracts, transactions, and/or any actions that are beyond the control of the Executive Committee in order to present to the Board of Directors for approval except for such matters that are under the responsibility and/or the powers of other committees of the Company to scrutinize and submit to the Board of Directors directly.
13. Inspect and monitor the performance of the Company's projects approved by the Board of Directors and report to the Board on the progress of such projects.
14. Consider approving the hiring of consultants for the implementation of the Company's projects related to normal business operations or supporting the normal business of the Company.

15. Consider, approve or acknowledge other management-related businesses that the Executive Committee deems necessary or appropriate to address as the urgent problem. If not done, it would cause damage to the Company and report such incident to the Board of Directors quickly.
16. Have the power to delegate authority to one or more persons to perform any action under the control of the Executive Committee or may delegate authority to such person as authorized by the Executive Committee within the timeframe that the Executive Committee deems appropriate. The Executive Committee may revoke, change, or alter the authorized person or delegation of authority. Such delegation shall be within the scope of the power of attorney provided and/or in accordance with the rules, regulations or orders prescribed by the Board of Directors.
17. Consider and approve any other matters and take any action as delegated by the Board from time to time. The assignment of duties and responsibilities of the Executive Committee must not be delegated that makes the Executive Committee and/or persons authorized can approve the transaction which may have a conflict of interest with themselves or any persons or may have any conflict of interest with the Company or subsidiaries (As defined in the Notification of the Capital Market Supervisory Board or the Securities and Exchange Commission) which the Executive Committee has no authority to approve such matters. They must be proposed to the Board of Directors and/or the shareholders' meeting (as the case may be) for further approval except for the approval of transactions that are in line with normal business and normal business conditions.

Quorum and voting

- (a) The Executive Committee shall consist of at least 5 members. Its members are not required to serve as directors. The term of office is 3 years and the term of office shall follow the term of the directors of the Company (in case the Executive Committee is also a director).
- (b) any actions according to their authority as prescribed in the scope of duties and responsibilities of the Executive Committee shall consist of at least half of the total number of Executive Directors attending the meeting to be a quorum. In the event that the Chairman of the Executive Committee is absent or unable to perform his duty, he Executive Committee present at the meeting shall elect one of the Executive Directors to preside over the meeting.
- (c) In the vote at the Executive Committee meeting, each director is entitled to one vote.
- (d) Voting for the Executive Committee meeting must receive at least half of the votes of all the Executive Committee attended.

The assignment of duties and responsibilities of the Executive Committee must not be delegated that makes the Executive Committee and/or persons authorized can approve the transaction which may have a conflict of interest with themselves or any persons or may have any conflict of interest with the Company or subsidiaries (As defined in the Notification of the Capital Market Supervisory Board or the Securities and Exchange Commission) which the Executive Committee has no authority to approve such matters. They must be proposed to the Board of Directors and/or the shareholders' meeting (as the case may be) for further approval except for the approval of transactions that are in line with normal business and normal business conditions.



Executive Committee Meeting

The Executive Committee shall organize or call for meetings as deemed appropriate. In such committee meetings, there shall be at least 5 committee members in attendance to constitute a quorum. The Executive Committee's resolution shall be made by majority vote. In this regard, directors who have conflicts of interests are not allowed to participate in consideration on a certain agenda item or are ineligible to vote. In the year 2016 have 7 total meeting time.

Term of Service

The Executive Committee members shall be in office for 3 years; nonetheless, the terminated directors can be re-elected.

3. Risk Management Committee

The Board appointed the corporate Risk Management Committee consisting of at least five members, of which at least one shall be the Company's director. At December 31, 2016, the Risk Management Committee comprises 9 persons as follows:

Name		Position
1. Mrs.Suparanan	Tanviruch	Chairman of Risk Management Committee
2. Mr.Jutha	Jaruboon	Member of Risk Management Committee
3. Mr.Yanis	Tipakorn	Member of Risk Management Committee
4. Mr.Nitus	Tungsangprateep	Member of Risk Management Committee
5. Miss.Tamonwan	Narintavanich	Member of Risk Management Committee
6. Miss.Rodjana	Trakulkoosri	Member of Risk Management Committee
7. Mrs.Uruiwan	Boonyarataphan	Member of Risk Management Committee
8. Mr.Chakkrit	Khemthong	Member of Risk Management Committee
9. Miss.Seingfon	Rattanabhrom	Member of Risk Management Committee

Scope of Authority and Responsibility

Below are the authorities and duties of the Risk Management of Master Ad Public Company Limited.

1. Compile the Risk Management Handbook of Master Ad Public Company Limited
2. Devise a plan for risk prevention or reduction.
3. Propose the Company's risk management policies to the Board for consideration before implementation.
4. Support the high-ranking executives' management by establishing a structure of risk management to comprehensively cover the overall organization, as well as adopting the risk management strategy into practice by issuing regulations and encouraging investment in an appropriate system.
5. Examine, analyze, and assess existing or potential risks and trends which may affect the organization both internally and externally.
6. Evaluate, prepare, and submit a report on adequacy of risk system and control to the Executive Committee and the Board. Function as the hub of managing significant risks reported by risk management coordinators.
7. Review the report on risk management and enhance efficiency in management performance in order to deal with unacceptable risks.
8. Inaugurate an integrated risk management system and link it to the Company's information system.
9. Carry out any other task pertinent to the Company's risk management policies as assigned by The Board.

The quorum of the Risk Management

In the meeting of the Risk Management, the members must attend at least one-half of the total membership to constitute a quorum. If the Chairman is not present or is unable to perform the duties and the Vice Chairman is present, the Vice Chairman shall preside over the meeting. If the Vice Chairman is not present at the meeting or can not perform the duties, the members present shall elect a chairman of the meeting. Minimum number of quorum at the time of voting at a meeting of the committee, there must be at least 2 out of 3 of its members that entitled to vote at the meeting. Decisions of the meeting shall be by majority. Each director has one vote except the director who has an interest in a particular subject will have no voting rights. If a tie, the Chairman of the meeting shall be the arbiter.

Risk Management Committee Meeting

The Risk Management Committee shall organize or call for meetings on a monthly basis or as seen appropriate. In such committee meetings, there shall be at least one-half of the total committee members in attendance to form a quorum. The Executive Committee's discretion shall hold majority vote as the meeting resolution. In the year 2016 have 4 total meeting time.

Term of Service

The Risk Management Committee members shall be in office for 3 years; nonetheless, the terminated directors can be re-elected.

Remuneration of the Board of Directors

The remuneration for the Directors of the Company is in accordance with the resolution approved by the shareholders' meeting. The Board of Directors is authorized to determine the remuneration since the Remuneration Committee has not been set up yet. The Board of Directors will consider the remuneration of the Directors by comparing with other companies in the same industry, and present to the shareholders for approval. The Directors, the Audit Committee and the Executive Director will receive the remuneration only when attending the meeting with the amount for each position as follows.

1. Monetary Remuneration

- Chairman of the Board and Chairman of the Audit Committee will receive 20,000 Baht / time each
- Vice Chairman 15,000 Baht / time
- Directors of the Company and the Audit Committee 10,000 Baht / time
- Executive Directors 5,000 Baht / time
- The Board of Directors will receive an annual pension.

Remuneration to Directors (Comparison Year 2014-2016) (Monetary remuneration)

(Unit: THB.)

Remuneration	2014		2015		2016	
	Persons	Remuneration	Persons	Remuneration	Persons	Remuneration
Meeting Allowances	13	790,000.00	11	770,000.00	16	1,330,000
Bonus	3	530,000.00	9	1,250,000.00	9	1,180,000
Other	None	-	None	-	None	-
Total		1,320,000.00		2,020,000.00		2,510,000

2. Non - monetary

- None -



Remuneration to Directors in the Year 2016 (Monetary remuneration)

(Unit : THB.)

No.	Name	Allowances			Total	Bonua	Total Remuneration
		Board of Director 12 Times	Audit Committee 4 Times	Executive Committee 7 Times			
1	Mr.Noppadon Tansalarak	30,000.00	-	30,000.00	60,000.00	-	60,000.00
2	Mr.Phiched Maneerattanaporn	30,000.00	-	20,000.00	50,000.00	-	50,000.00
3	Mr.Tawat Meeprasertskul	30,000.00	-	20,000.00	50,000.00	-	50,000.00
4	Mr.Prasert Virasathienpornkul	80,000.00	40,000.00	-	120,000.00	-	120,000.00
5	Mr.Pornsak Limboonyaprasert	60,000.00	20,000.00	-	80,000.00	-	80,000.00
6	Mr.Chaiyasith Puwapiromkwan	120,000.00	-	-	120,000.00	100,000.00	220,000.00
7	Mr.Chavin Kalayanamitr	100,000.00	-	10,000.00	110,000.00	100,000.00	210,000.00
8	Miss.Darane Phanklin	100,000.00	-	10,000.00	110,000.00	100,000.00	210,000.00
9	Mr.Paisal Tarasarnsombat	100,000.00	40,000.00	-	140,000.00	120,000.00	260,000.00
10	Mr.Vichit Dilokvilas	-	-	10,000.00	10,000.00	-	10,000.00
11	Miss.Tamonwan Narintavanich	-	-	30,000.00	30,000.00	-	30,000.00
12	Mr.Mana Jantanayingyong	160,000.00	-	-	160,000.00	360,000.00	520,000.00
13	Mrs.Suparanan Tanviruch	80,000.00	-	10,000.00	90,000.00	100,000.00	190,000.00
14	Mr.Surachet Sangchayosawat	60,000.00	-	10,000.00	70,000.00	100,000.00	170,000.00
15	Mr.Chalush Chinthammit	40,000.00	30,000.00	-	70,000.00	100,000.00	170,000.00
16	Mr.Danai Tangsriviriyakul	50,000.00	10,000.00	-	60,000.00	100,000.00	160,000.00
Total		1,040,000.00	140,000.00	150,000.00	1,330,000.00	1,180,000.00	2,510,000.00

Remarks: 1. Directors 1 - 3 resigned on May 31, 2016; Director 10 resigned on May 31, 2016; Director 4 resigned from Chairman of the Board and Chairman of the Audit Committee on June 1, 2016; Director 5 resigned from the Board and Audit Committee on June 15, 2016; Director 1 resigned from the Executive Board on February 9, 2017.

2. Directors 12 - 14 were appointed as Director on May 31, 2016; Director 15 held positions of Director and Audit Committee on June 24, 2016; Director 16 took the position of Director and Audit Committee on August 3, 2016.

Corporate Secretary

In order to comply with the corporate governance principle of the listed companies under the responsibilities of the Board Directors and the requirements of the Securities Exchange Act (No. 4) B.E.2551 (2008), the Board of Directors has appointed Ms. Thamonwan Narinthavanit to be the Corporate Secretary starting February 22, 2008 (Profile as per the Appendix 1). Corporate Secretary's duties and responsibility are as follows:

The Company's Secretary's Qualifications

1. Have comprehensive knowledge and understanding of the Company's business, including roles and duties related to the work of the Company's secretary, for instance, duties of the Board and the Company, having sound knowledge of related laws and regulations, including the continuous pursuit of knowledge and follow-up of data and information for the development of work implementation.
2. Perform duties in accordance with laws, rules and the Company's regulations, with responsibility, caution, integrity and determination, including lending support for the Company's operation, based on the Company's principles of good corporate governance and code of ethics, so that the Company may fulfill its goal.
3. Strictly adhere to virtue and morality, as well as take into account all groups of stakeholders, while not acting in a way that will cause damage to the Company's reputation and good image.
4. Not aim at self - interest out of the Company's business opportunities, and well maintain the Company's secrecy.
5. Have good human relations and an ability to coordinate with other work units or agencies both inside and outside the Company.

Corporate Secretary's duties and responsibility

Corporate Secretary's duties are shown in the Securities and Stock Exchange Act 1992, Article 89/15

(1) and Article 89/16 which came into effect on 31 August 2011 with care and honesty, including compliance to the law, objectives and regulation of the Company and resolutions of the Board and the shareholders' meetings. Duties and responsibility of Corporate Secretary are as follows:

1. Preparing and keeping the following documents:
 - (a) Register of Directors,
 - (b) Notice letters and Minutes of the Board of Directors' Meetings, and the Company's Annual Reports,
 - (c) Notice letters and Minutes of Shareholders' Meetings
2. Keeping reports on gain and loss as reported by the Board of Directors and the Management,
3. Doing other things as prescribed by the Stock Exchange Committee,
4. Delivering copies of reports on gain and loss as reported by the Board of Directors and the Management or other related persons, which is the gain and loss pertaining to the operation of the Company's business, or its subsidiaries, to the Chairman and the Chairman of the Board of Auditors, within 7 days from the date which the Company receives the said reports,
5. Making suggestion on the Law and related rules and procedures on governance of the Board in line with the law.
6. Arranging the meetings of the Board of Directors' Meetings and also of Shareholders' Meetings
7. Coordinating with the Company units to follow the resolutions of the Board of Director and Shareholders' Meetings.



8. Liaise with regulatory agencies such as the stock market and overseeing the disclosure and reporting information to the regulatory agencies and the public as specified by law.
9. Preparing the orientation to newly appointed director
10. Performing the duty with due responsibility, care and honesty according to the Laws, objectives and regulations of the Company, resolutions of the Board of Directors as well as the resolutions of the Shareholders' Meetings
11. Other duties as assigned from the Company

Management Team

At December 31, 2016, the Management Team comprises 8 persons as follows:

Name		Position
1. Mrs.Suparanan	Tanviruch	Chief Executive Officer
2. Mr.Jutha	Jaruboon	Chief Operation Officer
3. Mr.Yanis	Tipakorn	Chief Creative Officer
4. Mr.Nitus	Tungsangprateep	Chief Investment Officer
5. Miss.Tamonwan	Narintavanich	Chief Financial Officer
6. Miss.Rodjana	Trakulkosri	Chief Business Development Officer
7. Mrs.Uraiwan	Boonyarataphan	Chief People Officer
8. Mr.Chakkrit	Khemthong	Chief Marketing Officer

Chief Executive Officer

The Chief Executive Officer is the highest position in the management, appointed by the Board of Directors to manage the Company, according to the operation plan and budget approved by the Board of directors, in strict, honest and careful observation of the objectives and regulations of the Board resolutions, withholding principally the Company's and the shareholders' interest, within the authorities and duties of the Chief Executive Officer as assigned by the Board.

Policies on CEO's holding the director position in other companies:

1. Being the Director of not more than 3 companies listed on the Stock Exchange of Thailand.
2. Chief Executive Officer shall serve as a director or consider a qualified executive to be the director in the company that the Company has its shareholdings.

Succession plans for senior management

If the Chairman's position is vacant, the Board of Directors shall select a board member or a senior management of the Company to hold the office. If no suitable candidates, the Board may select a person of the third party. For the position of the Chief Executive Officer, there have been the members of the senior management being appointed to prepare for to be the Chief Executive Officer in succession as Deputy CEO, a total of 7 persons. In addition, for the position of senior management from the level of the directors onwards, the Personnel Management Department has conducted the Successor Project to prepare the mid-level managers for the career advancement as well.

Executive Compensation

The Company has set the indicator to define the remuneration for the CEO and the management team of all departments based on the achievement of goals of the Key Performance Indicators: KPIs for each year. This will be used to be the guideline of the operations of each department and to evaluate the performance of the CEO and all executives, Chief Executive Officer and Executives of Master Ad Public Company Limited and subsidiaries.

They had received compensation from the Company on December 31, 2016 as detailed below.

Monetary remuneration

(Unit : THB.)

Compensation	2014		2015		2016	
	Persons	Compensation	Persons	Compensation	Persons	Compensation
Salary and Bonus	5	26,065,372.67	5	33,686,817.00	9	39,612,248.58
Contribution to the Provident Fund	5	313,267.00	5	340,591.00	9	564,764.00
EJIP	4	644,157.00	4	664,648.96	8	1,031,684.53
Other	5	531,433.57	5	228,139.43	9	27,022,496.26
Total		27,554,230.24		34,920,196.39		68,231,193.37

Note: Executive compensation included compensation of Mr. Noppadon Tansalarak who held the position between 2016 and resigned on February 9, 2017.

Details of executives other remuneration

Report on the holding of the securities of the senior executives at December 31, 2015

- Contributions to the Provident Fund: The Company has set up a Provident Fund for executives and employees and contributed by 5% of the salary. In 2016, the Company has contributed to the Provident Fund for 9 executives totaled 564,764 Baht.
- Employee Joint Investment Program (EJIP): An incentive in working and cooperating with the Company for a long time with a period of 3 years from July 1, 2016 - June 30, 2018. Executives who can join the EJIP must be the permanent employees of the Company and be the staff over the department level. The Company will deduct 5% of the executive salaries and pay for the contributions at the rate of 80% of the amount deducted from the executive salaries. In 2016, there were 9 executives from over the department level joining the program and the Company has contributed for a total of 1,031,685 Baht

The securities acquired under the Employee Joint investment Program (EJIP) for the executives of the Company will be exempt from the reporting of holding of securities according to Form 59 - 2.

Personnel

Recruitment and selection

For over 29 years, the Company has been recognized as a leader in Out of Home Advertising Media business with policies regarding management, quality and modernity. We were the first in Thailand to receive the quality standards ISO 9001:2008. The Company is committed to developing the products, services and personnel under DNA "Smart, Creative & Innovative". The Company has given the emphasis to the process of recruitment and selection. We have a variety of channels in order to increase efficiency in recruitment to support the work of various departments and to obtain qualified personnel who are ready to learn and develop new things. The Company has maintained the process for the selection of personnel to fit the organization and the team namely: knowledge test to gauge the ability of candidates, measuring the attitudes and aptitude to work in different jobs and allowing employees to work with success and happiness. The Company focuses on the interview process to ensure that we get the right people to work with the organizations and uses the Competency Based Interview to guide the interview. The CEO even interviews the candidates for the key positions by himself.



The Company has also set an aggressive recruitment plan, for example, the MACO Job Fair, the Friends get Friends or attending in other recruitment fairs as well as building relationships with leading educational institutions to develop

the students to be capable for the market such as giving lectures in leading educational institutions to educate the students in various disciplines and participating in cooperative education with several educational institutions.

Number of employees of Master Ad Public Co.,Ltd. by main business lines As of December 31

Main Job Line	No. of employees		
	2014	2015	2016
1. Executive Department	35	40	46
2. Marketing Department	20	8	19
3. Sales Department	23	23	26
4. Production Department	33	32	38
5. Accounting and Financial Department	24	22	28
6. Administraion Department	26	14	23
7. Business Development Department	15	11	9
8. Special Events and Creative Department	-	2	2
9. Operation and Maintenance Department	-	11	40
Total	176	163	231

Note: In the year 2016 included the employees from Multi Sign Co., Ltd. 42 Persons, from the Merger 70% by Green Ad Co., Ltd.

The performance management and remuneration

The Company has set to pay the remuneration to the employees according to qualifications, skills and work experience. The minimum salary of the employees is based on the minimum wage set by the government. The Company considers the salary adjustment and bonus once a year by

applying the Balanced Scorecard and KPI systems as well as 360 degrees assessment based on the corporate's Core Competency as the tools to consider the performance of each employee, department and the Company's according to the principle of compensation Pay for Performance, as in past years.

Details of Compensation to the employees (Excluding Executives)

Details of Compensation	2014	2015	2015
Salaries and other employee expenses	66,145,009.92	64,481,796.00	71,062,243.00
Contributions to the Provident Fund	2,159,948.00	2,212,295.00	2,722,392.00
EJIP	590,535.04	653,583.00	690,560.00
TOTAL	68,895,492.96	67,347,674.00	74,475,195.00

Details of Employees other remuneration

- Contributions to the Provident Fund: The Company has set up a Provident Fund for executives and employees and contributed by 5% of the salary. In 2016, the Company has contributed to the Provident Fund for Employees totaled 2,722,392 Baht.
- Employee Joint Investment Program (EJIP): An incentive in working and cooperating with the Company for a long time with a period of 3 years from July 1, 2016 – June 30, 2018. Executives who can join the EJIP must be the permanent employees of the Company and be the staff over the department level. The Company will deduct 5% of the executive salaries and pay for the contributions

at the rate of 80% of the amount deducted from the executive salaries. In 2016, there were 27 persons from over the department level joining the program and the Company has contributed for a total of 690,560 Baht

The securities acquired under the Employee Joint investment Program (EJIP) for the executives of the Company will be exempt from the reporting of holding of securities according to Form 59 - 2.

Additionally, the Company has arranged various sales awards to promote and stimulate continuous sales; namely, New Sales Star of the Year Award, New Customers Sales Award, Top Sales Awards for individual and team, Outstanding Sales Awards for individual and team, and Top Sales Award.



I Corporate Governance

Corporate Governance Policy

The Company has viewed that corporate governance policy and business ethics is part of the business policy of the Company. The policy of corporate governance and business ethics has been made in writing. The Board is responsible for policy and practice in such matters. The Board also makes sure that the directors, the management and employees are to comply with strictly. The Company has reviewed its corporate governance policy and business ethics regularly. The full version of business policy, corporate governance and ethical business conduct has been published via the Company's website: www.masterad.com.

Master Ad Public Company Limited is committed to operating under the principles of good corporate governance of the Stock Exchange of Thailand (SET) and the regulations of the Securities and Exchange Commission (SEC) to ensure effective management leading to sustainable growth and add value for shareholders over the long term. In 2016, the Company received the scores on corporate governance as "very good" (Very Good CG Scoring) from the Corporate Governance Report of the Listed Company for the year 2016, for the 10th consecutive year. (2006-2016)

In 2016, the Company followed the principles and best practices of good corporate governance for the Listed Company as follows:

Section 1: Rights of the Shareholders

The company supports the basic rights of the shareholders and encourages the shareholders to receive news and information from the Company adequately, as well as: attendance and voting at a meeting of the shareholders to appoint or remove the directors, appointment of the auditor, considering the issues that affect the Company such as a dividend payment, determining or altering the memorandum of the regulations or memorandum of association, reduce or increase capital and approval of special items. In 2016, the Company performed the following:

- **Meeting of Shareholders**

The Company arranged its General Meeting of Shareholders for the year 2016 No. 1/2559 and the Extraordinary General Meeting of 2016 as detailed below.

The Annual General Meeting of Shareholders held on Friday, April 22, 2016 at 02.00 p.m. at the meeting room 1 - 2 at the Queen Sirikit National Convention Center, 60, New Ratchadapisek Road, Bangkok 10110. There were 281 attendees, the total number of shares were 1,846,916,203 shares representing 61.38 % of all outstanding shares sold. In the General Meeting of Shareholders for the year 2016, there were 7 committees attended were the Chairman of the Board of Directors, Board of Directors and senior executives together.

The Extraordinary General Meeting of Shareholders No. 1/2559 held on Wednesday, September 21, 2016 at 02.00 p.m. at the meeting room 1 - 2 at the Queen Sirikit National Convention Center, 60, New Ratchadapisek Road, Bangkok 10110. There were 256 attendees with the total number of shares. 1,758,766,650 shares, representing 58.45% of all outstanding shares. At the Extraordinary General Meeting of Shareholders No. 1/2559, there were 9 committees attended were the Chairman of the Board of Directors, Board of Directors and Audit Committee, including senior executives and auditors participated together. For those two meetings, the Chairman conducted the meeting entirety as required by law. The process of the meeting were as the following.

Before the meeting.

1. The company released a letter to the shareholders through SET system to inform the minority shareholders of the right to submit the issue to be placed on the agenda and to nominate the persons to be considered to be a Director of the Company according to the selecting process prior to the Annual General Meeting of the shareholders, 3 months in advance before the end of the fiscal year inline with the conditions published on the Company's website at www.masterad.com/investor_relations. In 2016 Annual General Meeting of the Shareholders, no one proposed any agenda or nominated a person to be an independent director of the the company.

2. All the shareholders shall be informed the AGM date, time and agendas via SEC information system and the Company's web site 30 days prior to the meeting date.
3. Arrange for shareholders to submit questions in advance of the meeting of shareholders.
Email Address: ir@masterad.com And published guidelines on submitting questions in advance on company website: www.masterad.com/investorrelations.
4. Sending invitation letters to the Meeting, stating place, date, time, agenda of the Meeting, with details to be presented to the Meeting, and the reason and opinion of the Board of Directors in each agenda, with proxy letter, annual report and additional detail attached to the report. The said documents were sent to all shareholders whose names appeared on the shareholders registrar as of the closing date, 14 days prior to the meeting date, and advertised in newspapers for 3 consecutive days.
5. Shareholders who cannot attend the AGM themselves are allowed to appoint proxies, or delegate independent directors as their proxies to vote on their behalf.
4. Before commencing the meeting, the chairperson shall announce the number of shareholders and proxies for the meeting's acknowledgement. The Chairperson, then, clarifies the procedures of voting by ballot paper. The resolution depends on the majority vote.
5. The Chairman of the Meeting conducted the Meeting according to the agenda in the invitation letter, without any change in the order of the agenda, and without requesting the Meeting to consider any matters not specified in the Meeting,
6. The Chairman allowed explanation and discussion in each agenda, providing equal right to all shareholders in the examination of the company's operation, asking questions and expressing their opinion and the Company recorded important matters in the Meeting Minutes for further examination,
7. The exercise of voting right for approval in each agenda was on the majority votes, in the format of 1 Share : 1 Vote, except in agenda on approval of Directors' remuneration for the year 2015, which was the resolution of the shareholders at two third of all the votes attending the Meeting and with voting right.

On the AGM Date

1. The Company endeavors to accommodate all shareholders in an equitable manner. Receptionists are adequately provided for all shareholders' disposal. The shareholders are allowed to register since 8.00 am, or 2.00 hours before the AGM. All board members, executives, and the external auditors attend the meeting preside over.
2. Registration and voting via barcode system have been introduced to the meeting for the second year for the shareholders' convenience.
3. The voting papers are provided in each agenda item for transparency and monitor.
8. Before any voting in each agenda, the Chairman allowed shareholders to inquire for details and clarification,
9. The Chairman notified the Meeting to vote openly in each agenda,
10. Shareholders were allowed to vote in the election of directors individually,
11. During the Meeting if there were additional shareholders joining the Meeting, the Company counted the number of shares and the new shares each time, and the newly arrived shareholders were given the rights to vote on agenda not yet



voted. The Chairman summarized the voting result in each agenda for the Meeting to acknowledge,

12. The Chairman announced the voting results in numbers of Yes, No and Abstain.

After the AGM Date

1. After the meeting, the Company shall inform the details on resolutions and voting results of each agenda item to all its shareholders via its securities registrar, Thailand Securities Depository Co., Ltd. (TSD) for acknowledgement of all interested parties.
2. The minutes of meeting properly shall be recorded in written form, retained and disseminated within 14 days on the Company's website: www.masterad.com/investor_relations.

The Company has been evaluated the shareholders meeting remained Good for 5 consecutive years (2007-2011). And won Excellent evaluate on year 2012 - 2016.

Section 2: Equal treatment to all shareholders

Master Ad treated all shareholders fairly and equally, whether they are in the management or not, including foreign shareholders, by observing the following:

Shareholders' Meeting

In 2016, Master Ad Annual General Meeting of shareholders, and treated all shareholders equally as follows:

- The Company opens the opportunity for the minority to offer additional agenda and to nominate a person for election as director in the Annual General Meeting. In 2016, the Company released a letter to shareholders through the system of the Stock Exchange so that the minority shareholders could propose the meeting agenda and nominate person to be elected as director according to the recruitment process prior to the General Meeting of Shareholders 3 months in advance in accordance with the Company as published on the

Company's website: www.masterad.com/investor_relations.

- The company has a policy to encourage shareholders both minor and institutional investors to attend shareholders meeting by selecting the location with convenient transportation to encourage the shareholders to attend the meeting through various channels of transportation.
- The Company has notified the investors and the SET of the AGM date, time and agenda, comments of the Board, including rules, voting process and voting rights and published on the Company's website at www.masterad.com/investor_relations, 30 days prior to the meeting date.
- The Company has sent the invitation letter to the meeting with details in both English and Thai 14 days prior to the meeting date.
- Additional agendas without prior notice: In the 2015 Annual General Meeting of shareholders, the Company did not have any additional agendas.
- **Proxy for the Meetings:** for shareholders who could not attend the meetings, proxy was allowed by filing a form in the proxy document Form B attached with the Meeting notice letters, on which shareholders could exercise their voting right. Further the Company offered an alternative by announcing the names of two Independent Directors for those shareholders who could not attend the Meetings to authorize them to vote for them. However in the 2016 Annual General Meeting, have 1 person shareholder authorize to Mr. Prasert Virasathienpornkul, Chairman of the Audit Committee and independent Director attend the meeting and vote.
- **Voting ballots:** Voting was done in the format of 1 Share : 1 Vote, using voting ballots for transparency and examination,
- **Allowance of shareholders to use their right to elect Directors one by one:** In the 2016 Annual General Meeting, agenda, election of new Directors to replace those whose term ends, the Company allowed shareholders to use

their right to elect Directors one by one, by collecting ballots from all shareholders who attended the Meeting, both for Yes and No ballots as well as abstain.

Measures against Directors and Managers to Use inside Information for Personal Benefit or Others' in any Unlawful Way Accessing to the Company's Information

The Company will not discriminate against any one group of shareholders in particular. All shareholders are entitled to access company information equally for both the minority shareholders and institutional shareholders, according to the disclosure policy evenly and fairly and get adequate information disclosed through various channels as follows:

Investor Relation Section

- Tel : 02 273 8639
- Email Address : Pornpimol@masterad.com;
ir@masterad.com

Company Secretary

- Tel : 02 938 3388 Ext. 487
- Email Address : tamonwan@masterad.com;
sukjai@masterad.com

Website : <http://www.masterad.com>

CEO is the one who knows in - depth of the inside information. The top management knows the management principles and policies of the Company. All the personnel must maintain confidentiality in respect of their responsibilities so that the confidentiality will not be disclosed to irrelevant persons. The Company shall not disclose significant information that is not publicly available to unauthorized employees or any other person or group of persons (including press and analysts) until the information is disclosed to the public under the following procedures:

- The executive or any personnel who know about the inside information, including investor relations team, are prohibited from the use of the internal information for the benefit of themselves and others in an inappropriate way that exploits other shareholders such as insider trading. No executive or any personnel

who know about the inside information, including investor relations team, shall trade the stock within a period of 1 month before the release of the financial statement or before the release of significant information until the Company has notified the Stock Exchange of Thailand.

- The company will communicate the information to investors, analysts, relevant persons in investment, and the shareholders through the Company's authorized persons. They are Mrs. Suparan Tanviruch, CEO; and Ms. Tamonwan Narinthavanich, Chief Financial Officer; the Investor Relations personnel will act as the primary liaison with analysts, investors and others who require the Company's financial information, results of operations, the Company status, and any action that adversely affects the Company.
- Avoids releasing information on operation results which affect the share price or which may be beneficial to any particular persons before the delivery of the financial statement to the Stock Exchange of Thailand, or within 1 month (Quiet period) prior to the official operating results has been notified through the information system of the SET, except in the case of any issue or event contributing to the distortion of the operating results of the company significantly from the forecast. As a result, misunderstanding might occur. The Company will disclose the information to the Stock Exchange accordingly.
- In case of the analysis's meeting before the financial statement release (Earnings Preview), the Investor Relations must handle this before the Quiet Period and carefully releasing information and must not provide any information with restrictions, such as the revenue and profits of that fiscal period.



Disclosure conflict of interest

The Board of Directors deems it appropriate to issue guidelines on conflict of interest data of its Directors and the Management for transparency and prevention of conflicting of interest thus:

- Directors are to inform the Company without delay when they or persons in their families join or hold shares in any business which may have conflicting interest, gain or loss, directly or indirectly in any agreements which the Company enters, or hold any securities in the Company or its subsidiaries,
- In the event an employee and persons in his family join or hold shares in any business which may have conflicting interest with the Company, he shall inform the Chief Executive Officer in writing, and the Directors and the Management shall report the data to the Corporate Secretary and the Board of Directors. Besides, the Directors and the Management who have the interest shall refrain from any discussions, giving opinions or voting on the said agenda.

Section 3: Role of Stakeholders

The Company shall conduct its business by retaining the Company's interest in conjunction with the interest, rights, and equitability of its shareholders and stakeholders, including shareholders, employees, customers, creditors, rivals, as well as responsibilities for the society and the general public. The Company adheres to the following stakeholder treatment principles.

• Shareholders

In its business conduct, the Company keeps in mind the best interests of all shareholders and stakeholders in an equitable fashion. In particular, the Company put a strong emphasis on its sustainability and growth in order to promote the long - run competitiveness and satisfactory returns. Further, the shareholders have rights to actively take part in acknowledging and making decision on vital issues concerning any change of fundamental business conduct.

• Employees

Every single employee is a component vital to the Company's business conduct. The Company, therefore, stresses the importance of each employee in all work units without any discrimination. The Company always encourages its staff members to unify, trust, and treat each other in a courteous manner, without prejudice, and with respect for human dignity. In this regard, friendly work environment is created along with the provisions of safety, remunerations commensurate with work performance, good welfare, innovative for job burden alleviation, among many others. Most importantly, the employees have to be consistently trained for the betterment of their professionalism, thereby exuding confidence in their own well - being and work standard up to par with employees of other leading companies in the same field.

• Suppliers

Playing an important role in purchasing process which is a significant process to determine the cost, quality of goods and services to be used in operations. The Company has established the Supplier Committee to select the supplier fairly with the clear criteria for selection, giving the importance to the suppliers who would help in business operations and support one another, including respect the supplier as an equal partner on the basis of fair competition.

• Creditors

The company has practiced itself as a good debtor by taking into account the best interests of both parties, i.e., avoiding the situation that causes a conflict of interest, having payment policy to meet deadlines, and strictly abiding to the creditors including releasing a guarantee of repayment upon the creditor's request and treating the creditors as the partnership.

- **Customers**

The Company is committed to everlasting capture the largest of mind with cutting - edge technology and innovation applications. The Company will emphasize the consistent quality service for customer satisfaction in order to maintain its existing customers as well as attract prospective customers. To accomplish this, the Company shall consistently maintain its quality service along with fulfilling its customer requirements with effectiveness and efficiency, under the slogan "Create Media with Quality." To strengthen close relationship with its customers, the Company provides interesting activities with an emphasis on warmth, thereby inculcating both employees and customers with a sense of familial unity.

- **Rivals**

The Company abides by the standard business competition with equitability and ethics, as well as follows the trading competition laws. The Company shall avert fraudulent means to discredit its competitors. The Company shall not defame competitors by a malign force, nor violates its competitors' rights.

- **Social and Environment**

The company has prepared a report on corporate social responsibility (CSR) Report) under Article 10. Social Responsibility: CSR on page 76

Policies and practices relating to any infringement of intellectual property or copyright

The company's policy is to comply strictly with applicable laws regarding intellectual property rights. When the work or the rights of third parties are used within the company, they must be checked to ensure that the Company does not infringe any intellectual property of others.

- The work result due to performing the duties is the intellectual property of the Company.

- Upon termination of employment, intellectual property as well as works which includes artifacts, etc. must be returned to the Company no matter what form they are.
- Employees who use the Company computer must use the software in accordance with the permission of the copyright owner and only that is allowed by the Company to prevent the violations of intellectual property.
- Work or data of the rights of any third party to be used within the Company must be checked to ensure that it does not infringe the intellectual property of others.

Section 4: Information disclosure and transparency

Master Ad maintains its policy of information disclosure and transparency in the monitor and control of the Company. In 2015, the Company disclosed information pertaining to the Company, financial and otherwise completely, clearly and within due time, according to the prescription of the SEC and SET as follows:

- Provision of Reports to SEC and SET within specified time on financial and other matters, such as changes of Directors and Directors' securities holdings
- In case of the analysis's meeting before the financial statement release (Earnings Preview), the Investor Relations must handle this before the Quiet Period and carefully releasing information and must not provide any information with restrictions, such as the revenue and profits of that fiscal period. (The Changes in Holding of Securities by the Board of Directors and Top Management in 2016 as per details on page 67)
- Disclosure of financial status and others, such as types of business operation, competitive situation, business risk, securities holding of Directors and the Management, related matters, and operation according to the policy of business control, in the annual reports and in Form 56 - 1,
- Disclosure of financial status and others correctly and completely in the Company's website www.masterad.com/ / Investor relations



- Disclosure and comments to shareholders about VGI Global Media Public Company Limited (Thailand) offered to purchase shares of the Company.
- Disclosure to shareholders about the issuance of capital increased shares of the private placement to Ashmore OOH Media Limited and disclosures to shareholders about the acquisition of the assets of the Multi Sign Co., Ltd.

The Company maintained an Investor Relations Division for shareholders and any persons to contact at

Investor Relation	Miss.Pornpimol Wongsiri Tel : 02 273 8639
Email	Pornpimol@masterad.com; ir@masterad.com
Website	www.masterad.com/Investorrelations
Letter	Investor Relation Master Ad Plc. No 1, 4 th - 6 th Floor, Soi Lat Phrao 19, Lat Phrao Road, Chom Phon Subdistrict, Chatuchak District, Bangkok 10900

Disclosure of remuneration of the directors and executives

The Company have disclosed details of remuneration for each individual director and the executives as per the details on page 52

Financial Reporting

The Board of Directors has assigned the Audit Committee to be responsible for reviewing the Company's financial statements accurately and adequately. The Board also reports the responsibilities of the directors on the financial reports covering the important issues according to the Code of Conduct for Directors of Listed Companies as recommended by the Stock Exchange of Thailand. The Audit Committee selected auditors from the EY Co., Ltd. (EY) who were approved by the SEC, be independent and without any interest to the Company as the auditors for 2016 in the list below:

Name	Certified Public Accountant #
1. Mr. Narong Puntawong	3315
2. Mr. Supachai Phanyawattano	3930
3. Mrs. Choularos Suntiasvaraporn	4523

By requiring any person to audit, review and sign the financial statements. The auditor's quarterly and the auditors fees for 2016 was set in an amount not exceeding 910,000 Baht which was the similar rate of audit fees of other companies with the same size and nature. The Company's 2016 financial statements were certified by the auditors and there were no items that the auditor commented conditionally.

Section 5: Responsibilities of directors

The Company requires the Board of Directors to review and study the governance and management of the Company. Every director is free to comment on the Company's operations and to supervise the implementation of the management to be efficient, accurate and transparent.

The Board of Directors is representative of the shareholders to create value for the business and return on investment to shareholders. In general, the Board will ask the management to perform. Therefore, the main function of the Board can be divided into 2 areas.

1. Determine the direction, policy and strategy of the Company to ensure that the Company will operate in line with the best interests of the shareholders.
2. Follow the operation of the management to check, balance and be responsible for the results of the operations of the Company to its shareholders.

Composition and appointment of directors

Shareholders consider and approve the appointment of directors. The Board of Directors comprises the Chairman, Vice Chairman and other directors with an amount suitable for the business of the Company and operational efficiency which is not less than 5 people. In addition, there must be the directors who are truly independent of management and free from any business or other relationship that might influence their judgments at least 1 in 3 of its members and not less than 3 people.

The Board of Directors shall elect a Chairman. If the Board of Directors deems appropriate, it may choose any directors, one or several, to be the vice - president of the Company

The appointment of directors must be in accordance with the regulations of the Company and the relevant legislation. It must be transparent and clear. In consideration, there must be sufficient educational and professional background of the person for the benefit of the decision of the Board and shareholders. Chief Executive Officer has been appointed as a director on the Board by the position.

Qualifications of the Board of Directors

In accordance with Section 68, Directors must be natural persons and:

1. Become sui juris;
2. Being Director of the other listed companies not over 5 companies.
3. Not be a bankrupt, an incompetent person or a quasi - incompetent person;
4. Not have been imprisoned by a final judgment to a term of imprisonment for an offence against property committed dishonestly;
5. Not have been punished by an expulsion or removal from the governmental service or a State organisation or agency on the ground of corrupt practices in official duties.
6. Director must be qualified and has no prohibitions as defined in the Law on Public Companies / and must not lack of any suitability to be entrusted to manage an entity with the public as the shareholders according to the notification of the SEC (Article 89/3 Securities Act BE. 2551)
7. Director must be knowledgeable, honest, have ethic to operate the business, have sufficient time to devote knowledge and ability to work for the Company.

8. Director may be a shareholder of the Company or not.
9. Director may hold positions in other companies but the functioning of being a member of the Board must not be affected.

Integration or segregation of positions

The Company clearly separates the authority and responsibilities of the Chairman and the CEO to prevent any one person to have unlimited authority. The Chairman of the Board is an independent director and does not have any relationship with the management. Details of the separation of authority and duties of the Chairman and the CEO are as follows:

Authority of the Chairman of the Board

1. Being responsible as the leader of the Committee on monitoring the administration of the executive committee and other sub committees to achieve the objectives as planned.
2. Chairs the meetings of the Board and the shareholders of the Company.
3. Making a decisive vote in the event that the Board of Directors votes and the 2 sides have equal votes.

Scope of CEO's Authority and Responsibility

The Chief Executive Officer (CEO) has authority and duties in conducting the business of the company as assigned by the Board of Directors for the best interest of the company. CEO, then, shall strictly perform such duties in accord with the plan or budget approved by the Board with honesty, ethics, and due care. CEO shall completely protect the benefit of the Company and its shareholders. The authority and responsibilities of CEO are as follows:

1. Make the Company's critical judgments; formulate Mission, objectives, guidelines, policies; as well as supervise the overall operation, productivity, customer relations, and responsibility for the Board of Directors.



2. Hire, appoint, and relocate personnel as deemed appropriate in terms of number and necessity to be executives or employees of all posts. The CEO also plays a key role in identifying reasonable scopes of authorities and responsibilities, remuneration, as well as in discharging, dismissing, firing employees as deemed appropriate.
3. Stipulate trading terms and conditions, e.g. amount of credit, payment period, sales and purchase contract, amendment of trading terms and conditions, etc.
4. Approve expenditures of a project approved by the Board of Directors. Each expenditure or payment shall not exceed ten million Baht.
5. Peruse the investment in different projects including asset sales and purchase
6. Implement and represent on behalf of the Company when contacting outsiders in related business in the Company's interests.
7. Approve the appointment of professional consultants critical to the Company's operation.
8. Carry out tasks related to overall administration of the Company

Notwithstanding, exercising power or making-decision of Chief of Executive Committee/ CEO is not allowed, for his own interest, whether directly or indirectly, in such matter.

Separation of the position of Chairman of the Board from Chief Executive Officer

To separate between the duties of policy formulation and routine management, and to enable Directors to monitor, control and measure operation results effectively, Master Ad Plc. has decided that the Chairman and Chief Executive Officer shall be different persons. The Chairman of the Board shall supervise the management of the executives, providing advice, assistance, but without intervening in the everyday management, but let the Chief Executive Officer do that function under the extent of authority given by the Board.

Besides, the Chairman of the Board shall possess leadership, making sure that Directors are not under the management's influence, chairing Board and shareholders' meetings in a fair and efficient manner, supporting and encouraging participants to exercise their rights, and observing to the principle of maintaining good governance.

Preparation of reports on stakeholders of Directors, executives and related persons,

Master Ad prescribed that a report form be made to report on joint interest of Directors, executives and related persons, as basic information in the monitor and control of the said joint interest. The reports were kept by Corporate Secretary to be used in the audit and control of conflict of interest; if there was any change in the interest, the executives were required to report the changes to the Corporate Secretary for acknowledgement.

Reporting a change in securities holding

The Company has set policies for executives and employees including employees in subsidiaries to comply strictly on securities trading and use of inside Information. Directors, executives and employees must not use the inside information of the Company or business partners to buy or sell or offer to buy or offer to sell or persuade others to buy or sell or offer to buy or sell the securities of the Company or business partners for their own benefit or other persons and must comply with applicable laws and regulations. Directors and executives have the following duties:

1. Reporting on securities holding and changes under Article 59 of the Securities Exchange Act B.E. 2535 (1992) within 3 days from the date of purchase, sale or transfer to the Securities and Exchange Commission and not to trade securities of the Company during the 1 month prior to the release of financial statements to the public.

2. Submitting the report according to 1 to the Company Secretary on the same day that the report is sent to Securities and Exchange Commission (SEC).
3. The Company Secretary collect the report on change of Securities holding of the Executive management and report to the meeting of the Board of Director quarterly.

The Changes in Holding of Securities by the Board of Directors and Top Management in 2016

Names		No.of shares As of.31/01/2016 (share)	(%)	No.of shares As of 31/12/2016 (share)	(%)
1. Mr.Mana	Jantanayingyong	-	-	-	-
2. Mrs.Suparanan	Tanviruch	785,000	0.03	300,983	0.01
3. Mr.Chaiyasit	Puvapiromquan	-	-	-	-
4. Mr.Surachet	Sangchayosawat	-	-	30,000	0.00
5. Mr.Paisal	Tarasansombat	-	-	-	-
6. Mr.Danai	Tangsriviriyakul	394,480	0.01	394,480	0.01
7. Mr.Chalush	Chinthammit	-	-	-	-
8. Mr.Chavin	Kalayanamitr	-	-	-	-
9. Ms.Daranee	Phanklin	-	-	-	-
10. Mr.Jutha	Jaruboon	232,463	0.01	325,020	0.01
11. Mr.Yanis	Tipakorn	174,542	0.01	278,866	0.01
12. Mr.Nitus	Tungsangprateep	-	-	95,825	0.00
13. Miss.Tamonwan	Narintavanich	251,378	0.01	244,791	0.01
14. Miss.Rodjana	Trakulkoosri	664,043	0.02	574,832	0.02
15. Mrs.Uraiwan	Boonyarataphan	230,980	0.01	329,964	0.01
16. Mr.Chakkrit	Khemthong	-	-	3,260,000	0.10
Total		2,732,886	0.10	5,834,761	0.18
Listed share		3,008,969,500	100	3,342,969,500	100

Remarks: 1. Include shares held by spouse, underage children and related entities

2. The Director No. 2 and No.10 - 15 are the Executive who attended the Employee Joint Investment Program (EJIP)



Development of Directors and Executives

The Company has a policy to promote knowledge to develop its directors and executives as follows:

1. Organize the orientation for the newly appointed Board of Directors by producing the director's manual on the roles and responsibilities and the Company Secretary will explain the Company's business operation to them.

2. The newly appointed directors must attend the Director Accreditation Program (DAP) or Director Certification Program (DCP).

In addition to encouraging the Directors to attend training with the Thai Board of Directors Association, the Company also has a policy to train them with other related courses in order to develop the knowledge and ability of the Board of Directors.

Training course from the Thai Institute of Directors (IOD)

Names		Training Course	
		Directors Certification Program (DCP)	Directors Accreditation Program (DAP)
1. Mr.Mana	Jantanayingyong	-	2012
2. Mrs.Suparanan	Tanviruch	2016	-
3. Mr.Chaiyasit	Puvapiromquan	-	118/15
4. Mr.Surachet	Sangchayosawat	-	-
5. Mr.Paisal	Tarasansombat	197/14	21/04
6. Mr.Danai	Tangsriviriyakul	-	-
7. Mr.Chalush	Chinthammit	-	2004
8. Mr.Chavin	Kalayanamitr	2011	-
9. Miss.Daranee	Phanklin	204/15	-

Sub Committee

The structure of the company comprising the Board of Directors and Committees as follow.

1. Audit Committee (as per details on page 45)
2. Executive Committee (as per details on page 47)
3. Risk Management Committee (as per details on page 50)

Members of the Board Directors and years of tenure are as follows : (As of February 28, 2017)

Names		Position	Appointment Date	Last appointment Date	No. of years as a Director (Year)
1. Mr. Mana	Jantanayingyong	Chairman of the Board of Directors	May 3, 2016	May 3, 2016	7 Month
2. Mrs. Suparanan	Tanviruch	Director/(Authorize Signature)/Chairman of Executive Committee/Chief Executive Officer	May 3, 2016	May 3, 2016	7 Month
3. Mr. Chaiyasit	Puvapiromquan	Director	May 12, 2014	April 22, 2015	2 Year 7 Month
4. Mr. Surachet	Sangchayosawat	Director (Authorize Signature)	May 3, 2016	May 31, 2016	7 Month
5. Mr. Paisal	Tarasansombat	Independent Director/Chairman of Audit Committee	August 1, 2014	April 22, 2015	2 Year 4 Month
6. Mr. Danai	Tangsriviriyakul	Independent Director / Audit Committee	August 3, 2016	August 3, 2016	4 Month
7. Mr. Chalush	Chinthammit	Independent Director / Audit Committee	June 24, 2016	June 24, 2016	6 Month
8. Mr. Chavin	Kalayanamitr	Director (Authorize Signature)	May 12, 2014	May 12, 2015	2 Year 7 Month
9. Ms. Daranee	Phanklin	Director (Authorize Signature)	May 12, 2014	May 12, 2015	2 Year 7 Month
10. Mr. Jutha	Jaruboon	Executive Committee	February 9, 2017	February 9, 2017	26 Day
11. Mr. Yanis	Tipakorn	Executive Committee	February 9, 2017	February 9, 2017	26 Day
12. Mr. Nitus	Tungsangprateep	Executive Committee	February 9, 2017	February 9, 2017	26 Day
13. Miss. Tamonwan	Narintavanich	Executive Committee	February 9, 2017	February 9, 2017	26 Day
14. Miss. Rodjana	Trakulkooori	Executive Committee	February 9, 2017	February 9, 2017	26 Day
15. Mrs. Uraivan	Boonyarataphan	Executive Committee	February 9, 2017	February 9, 2017	26 Day
16. Mr. Chakkrit	Khemthong	Executive Committee	February 9, 2017	February 9, 2017	26 Day



Summary of the meeting of the Board of Directors and Committees of the year 2016.

Name		Position	Meeting					
			Board of Director	Audit Committe	Executive committee	Risk management Committee	Annual General Meeting of shareholder	Extraordinary General meeting of shareholder
			Number of meeting / conference time of attend the meeting					
1. Mr.Mana	Jantanayingyong	Chairman of the Board of Director	8/8	-	-	-	-	1/1
2. Mrs.Suparanan	Tanviruch	Director /(Authorize Signature)/Chairman of Executive Committee/Chief Executive Officer	8/8	-	7/7	-	-	1/1
3. Mr.Chaiyasit	Puvapiromquan	Director	12/12	-	-	-	1/1	1/1
4. Mr.Surachet	Sangchayosawat	Director	6/8	-	7/7	-	-	1/1
5. Mr.Paisal	Tarasansombat	Independent Director / Chairman of Audit Committee	10/12	3/4	-	-	1/1	1/1
6. Mr.Danai	Tangsriviriyakul	Independent Director / Audit Committee	5/5	1/1	-	-	-	1/1
7. Mr.Chalush	Chinthammit	Independent Director / Audit Committee	4/5	2/2	-	-	-	1/1
8. Mr.Chavin	Kalayanamitr	Director (Authorize Signature)	10/12	-	7/7	-	1/1	1/1
9. Ms.Daranee	Phanklin	Director (Authorize Signature)	10/12	-	7/7	-	1/1	1/1
10. Mr.Jutha	Jaruboon	Executive Committee / Risk Management Committee	-	-	7/7	-	1/1	1/1
11. Mr. Yanis	Tipakorn	Executive Committee / Risk Management Committee	-	-	-	4/4	1/1	1/1
12. Mr.Nitus	Tungsangprateep	Executive Committee / Risk Management Committee	-	-	-	4/4	1/1	1/1
13. Miss.Tamonwan	Narintavanich	Executive Committee / Risk Management Committee	-	-	-	4/4	1/1	1/1
14. Miss.Rodjana	Trakulkoosri	Executive Committee / Risk Management Committee	-	-	-	4/4	1/1	1/1
15. Mrs.Uraiwan	Boonyarataphan	Executive Committee / Risk Management Committee	-	-	-	4/4	1/1	1/1
16. Mr.Chakkrit	Khemthong	Executive Committee / Risk Management Committee	-	-	-	4/4	1/1	1/1
17. Miss.Seingfon	Rattanabhrom	Risk Management Committee	-	-	-	4/4	1/1	1/1

The Performance Evaluation of the Board of Committee

The Master Ad (Public) Company Limited has arranged the performance evaluation of the board in which conform to the principle of good corporate governance by focusing on bringing an evaluation result to improve the performance of the Board of Committee. There are two forms for the Performance Evaluation, consisting of:

Performance Evaluation form of the Board

Performance Evaluation form of each individual member

Each topic is marked as following

- 0 = No performance in that topic at all
- 1 = having a little performance
- 2 = having a moderate performance
- 3 = having a good performance
- 4 = having an excellent performance

The performance evaluation form of the board consist of 6 major topics, namely:

- (1) The structure and qualification of the Board
- (2) Roles and are responsibilities of the Board
- (3) The Board of Directors' meeting
- (4) The duties of the Director
- (5) The relation with management
- (6) Development of the director and executives

The summary of the result of performance evaluation of the Board in the 6 major topics shows that most of their performance is excellent.

The performance evaluation form of each individual member (self-assessment) consists of 6 major topics, namely:

- (1) The structure and qualification of the Board
- (2) The Board of Directors' meeting
- (3) Roles and are responsibilities of the Board.

To summarize, the result of performance evaluation of each individual member (self-assessment) in the 3 topics' overview shows that most of their performance is excellent.

The recruitment and appointment of directors and Top management.

Criteria for the Selection of Independent Directors

Since the Company has no Nomination Committee, the Board will consider the person to be appointed as director whether it's the director who would represent the shareholders or independent director based on the suitability of skills and experience that will strengthen the Board. The Board will consider the initial qualification according to what the Company has set. The qualification is more stringent than the minimum required by the SEC and the SET so that the independent directors of the Company will be truly independent.

Qualification of Independent Directors

Independent directors of the Company shall have the following qualifications

1. Hold no more than 0.5% of the entire voting shares in the Company, conglomerates, its subsidiaries, joint ventures, or juristic persons with potential conflicts of interests, implicitly including related persons' shares.
2. Do not participate in the management; are not employees, workers, consultants with salary; and are not person with authority over the Company, conglomerates, its subsidiaries, joint ventures, or juristic persons with potential conflicts of interests (at the present time and for at least two years before appointment).
3. Have no close/natural relationships or registration in terms of parents
4. Have neither business connection nor benefits or vested interests, both explicitly and implicitly, in terms of finance and management of the Company, its subsidiaries, affiliates, joint ventures, or persons, which may potentially lead to prejudice.



5. Have never been Auditor of the Company, conglomerates, subsidiaries, joint ventures, or juristic persons who may have potential conflicts of interests, nor major shareholders, non-independent directors, management or management partner of an auditor office which provides audit consultancy to the Company, conglomerates, subsidiaries, joint ventures, or juristic persons who may cause conflicts of interests, except for losing such status for no less than two years counting from the application date to the office.
6. Have never been or was any professional adviser including legal or financial consultant whose fee is more than two million Baht a year for the Company, conglomerates, subsidiaries, joint ventures, or juristic persons who may cause conflicts of interests. In the event of juristic professionals, nonetheless, this clause shall include major shareholders, non-independent directors, management or management partner of such professionals, except for losing such status for no less than two years counting from the application date to the office.
7. Have never been appointed to represent the Company's director, its major shareholder, or shareholder who has connection with the major shareholder of the Company.
8. Possess any other qualification which may hinder him or her from independently commenting on the Company's operation.

The term of office of the independent directors

Independent Director has term of no more than 9 consecutive years from the date of be appointed for the first time. In the case to appoint independent director to continue the position, the Board of Directors will consider such need.

Nomination of Directors and Senior Management

• Nomination of Directors

Since the Company has no Nomination Committee, the Board has set procedure for nomination by opening the opportunity for shareholders to nominate qualified person by education, experience and expertise in the field of business to be considered and elected as a Director of the Company, on one hand. On the other hand, the position will be determined by director who retired by rotation to assume the position as director for another term based on the performance.

The Board will review the qualified candidates who will be proposed to shareholders at the Annual General Meeting with the approval of not less than one - half of the shareholders who present at the meeting and are entitled to vote. The criteria for the appointment of Directors individually and the procedures are as follows:

1. In voting for a director, each shareholder shall have one vote per share. Each shareholder will have to exercise all votes he has for one or several directors but cannot divide his votes whether more or less to any person.
2. In voting for a director, each director should be voted individually. The shareholders must vote using all of their existing votes for individuals who have been nominated as directors one by one.
3. The persons receiving the highest number of votes in descending are elected according to the numbers of directors to be elected at that time. If the persons elected in descending order have equal votes that exceed the number of directors to be elected, the Chairman of the meeting shall exercise one additional casting vote.

4. Each Director who has been nominated must receive favorable votes of more than half of the total votes of the shareholders present and entitled to vote. The Company will present the information of the Directors along with the notice of meeting for consideration consisting of: Educational and working background, directorship and positions held in other companies, experience and legal disputes (if any). In the event that the nomination is for the director who has completed his term to return to the position again, additional information about the number of attendance and his work in the past year shall be submitted for consideration by the shareholders.
5. The Company has prepared the Guide to Board of Directors and provided orientation for new directors to be informed of nature of the business and the business policy of the Company. In the event that a Director position is vacant due to reasons other than retirement by rotation, the Board will nominate a suitable candidate for the Board to consider as the new Director at the next meeting with the votes of not less than three-fourths of the remaining Directors. Person as the new director shall have the term of office only the remaining term of the previous director.

In 2016, The Company provided an opportunity for the shareholders to nominate persons as directors. None of the shareholders propose the qualified candidates. Directors nominated 3 directors who retired by rotation to the Board to serve another term because they performed the directorship so well, namely, Mr. Phiched Maneerattanaporn, Mr. Tawat Meeprasertsukul and Mr. Pornsak Limboonyaprasert. The Meeting approved the appointment of such person as Directors as suggested.

The Nomination and Appointment of the Senior executives

The company has scheduled recruiting for the position. Chief Executive Officer The Executive Committee will be the primary consideration. In screening candidates with the required qualifications. Knowledge, skills and experience to benefit the operations of the company. And understand the business of the company as well. And can be administered to achieve the objective. The goal set by the Board of Directors. And presented to the Board for approval.





Awards with pride

Corporate Governance



In 2006–2015

The Company has been evaluated Corporate Governance by the Thai Institute of Directors (IOD) to be Very Good CG Scoring

Annual General Meeting

In 2007 - 2011

the Company received an appraisal of very good for the organizing of its Annual General meeting from the Securities Exchange Commission, the Thai Investor Association, and the Listed Companies Association.

In 2012 - 2016

The Company received an appraisal of excellent for the organizing of its Annual General meeting from the Securities Exchange Commission, the Thai Investor Association, and the Listed Companies Association.

FORBE ASIA

Asia's 200 Best Under a Billion

Master Ad Public Co., Ltd. was selected as one of Asia's 200 Best Under a Billion, resulted from the search of top 900 companies across the Asia - Pacific region with the growth in both sales and earnings from 5 million - 1,000 million US dollars for the second year in a row. (2012 - 2013)

NACC Integrity Awards 2012

Master Ad Public Co., Ltd. got a complimentary NACC Integrity Awards 2012 and 1013 from the Office of National Anti-Corruption ComMs.ion.

The above awards reflect the commitment and dedication of the Board and the management to add value to the business. The Company will also adhere to corporate governance and conduct the business with responsibility to society as well as apply best practices to add value to the Company and its shareholders.

Thailand ICT Excellence Awards 2013

In Core Process Improvement Projects for Internal Development Process by the Management Association of Thailand in collaboration with 3 organization: National Electronics and Computer Technology Center (NECTEC), Software Park Thailand and the College of Innovation, Thammasat University (CITU).

SET Awards

SET Awards The honor of the success of MACO managed with vision. And the principles of good corporate governance. Throughout the past. The company won the SET Awards as below.

2011

- Top Corporate Governance Report Awards) (Type Listed Company in MAI)

2012

- Best CEO Awards
- Best Performance Awards

2013

- Best Performance Awards

2015

- Outstanding Company Performance Awards for the group of listed company who have market capitalization between 3,000 - 10,000 Million baht.

2016

- Outstanding Company Performance Awards for the group of listed company who have market capitalization between 3,000 - 10,000 Million baht.
- Investor's Choice Awards 2016 An honorable reward on the disclosure and the equality of shareholders as the Company has receive 100 points from the assessments of Annual General Meeting (AGM) for 5 years consecutively.

I Control of the Use of Inside Information

The Company has set up a system to prevent and detect the use of confidential information for personal gain in any unlawful way. The policy of using inside information has been made in writing that can be summarized in the followings:

Policy Regarding the Use of Inside Information

1. The Board of Directors has passed a resolution that the directors of the Company must report any change in shareholding of the Company with the Securities and Exchange Commission (SEC). Executives or employees involving in trading or any change in the stock holding are required to report to the Secretary of the Company under Article 59 of the Public Company Act B.E. 2535 (1992) within 3 days after the change and inform the corporate secretary to changing recorded and summarized each individual property in according with pretending to the Board of Director in next conference. There is the penalty provision in case of failing to comply with the regulations.
2. Executives and employees should not do the trading of the Company's stocks before the release of the financial statements or other information related to the Company's status including additional important information. The trading by both executives and employees should be done at least a period of 24 hours after the public disclosure has been made Failure to comply with such requirements constitutes a breach of discipline of the company.
3. Directors and the Executive Committee must notify the Company Secretary on at least one trading day before trading company stock.
4. Executives and employees should not take advantage or use the information from being the executives or the employees of the Company in doing any business that is competing or related to the business of the Company.

5. In the event that the Company and its subsidiaries have connected transactions or the Company's important property trade, the directors and the management shall oversee the practices to comply with the perusal process. To accomplish this, there shall be a meeting to consider and stimulate the guidelines on comprehensible transactions, which shall pass the audit committee's careful perusal first. The audit committee shall peruse the transaction by according the greatest importance to the best interest of the Company and its shareholders. Directors or the stakeholders who are involved in the matter shall leave the meeting. After the resolution is performed, the directors shall supervise the adherence of such stipulations as well as the information dissemination via different channels so that all stakeholders are comprehensively and equitably informed.

Discipline and Termination

If any director, executive or any employee has got to know the critical inside information and breaches the discipline, the disciplinary action will be taken from the warning, wage cuts, suspension without pay, until the termination.

Disclosure of transactions possibly with conflicts of interest

Master Ad has prescribed that Directors and Executives shall disclose items which may have conflicting interest with Master Ad Public Co., Ltd. considering it as an internal control process, inclusive of prescribing the Internal Auditing Office to monitor and solve conflicting interests and report directly to the Board of Auditors. In the past, such problems never arose.



I Corporate Social Responsibilities : CSR



Master Ad Public Co, Ltd. has strong determination on social responsibility and environmental by providing support activities, initiating various projects for the community and society as a whole without expecting any reward so that we would be one of the organizations that are truly committed to social responsibility. The Company is preparing a long term plan for the CSR and the Board will determine the vision and guidelines for the operation including the approval of policies and guidelines for other operations based on the suggestion from the management. The Company will conduct the business according to good corporate governance and business ethics and consider the impact of towards those working closely with the business i.e. customers, partners, employees, shareholders, the surrounding community including those indirectly related to business such as regulators and the public in general.

However, the long-term CSR plans have not yet been considered by the Board. Currently, the Company has been involved in CSR by focusing communities and environment

by promoting employees' awareness and defining the responsibilities in the Company's business plan.

1. Responsibility for the environment and society in the process:

- Implementation of environmental and social responsibility by providing safety to employees, stakeholders and surrounding communities with focus on safety in every step of the billboards construction process.
- Environmental management within the organization, such as the surroundings and atmosphere in the workplace to meet the standards of the life quality of the people in the organization both morality and ethics, and so on.
- Cognitive training in various fields that are suitable to the employees in each department regularly to develop the knowledge and skills and enhance the performance.

Good Corporate Governance

The Board recognizes the importance of the participation of stakeholders in enhancing the performance of the company to build a sustainable company by disclosing critical information related to the business. The stakeholders have been informed adequately and transparently. The stakeholders, shareholders and investors can submit comments, complaints or suggestions or any helpful information by sending postal mail to:

Ms.Tamonwan Narintavanich

Master Ad Public Company Limited.

1, 4 - 6 Floor soi.Ladprao 19 Ladprao road, Chompol, Chatuchak, Bangkok, 10900

or E-mail Address : tamonwan@masterad.com

However, such individuals will continue to gather information to present to the Board for consideration. The Company has a policy to protect the sender. Opinions or recommendations with retention of the comments or suggestions as confidential.

Anti-corruption Policy

MACO has strictly adhere to virtue and morality, as well as taking into account all groups of stakeholders while not acting in a way that will cause damage to the Company's fame and good image. In 2013, MACO joined the "Collective Action Coalition to anti - corruption" aiming to resolve all corruption according to good corporate governance and responsible policy. MACO has issued "Anti-corruption policy" in writing as the business framework and bring the Company to long-term organization as follows:

Guidelines for the Implementation of the Anti-corruption Policy

1. The directors, executives and employees of the Company and its subsidiaries as well as contractors and other subcontractors shall not support or receive all types of corruption both directly and in directly covering all Company's units. There must be a review of compliance with anti-corruption policy regularly as well as the revised guidelines, legal requirements, regulations, rules, announcements and business changes.

2. Adopting a defensive anti - corruption measure into practice by issuing regulations to be the part of operational business and responsibility of the Board of Directors, Executive, supervisors, employees and also contractors and other subcontractors to offer a suggestion to reach the target goal.
3. Developing anti - corruption measure related law and virtue by assessment of the activities which risk of corruption and issued the manual guideline.
4. Rejecting bribe in all formats in all corporate activities. Donations to political parties are transparent and not intended to persuade government officials or private actions to any inappropriate acts.
5. Providing for appropriate internal control regularly to prevent improper employee practices in particular, sales, marketing, purchasing.
6. Providing knowledge of anti - corruption to Board of Directors, Executive and employee for promoted honesty and responsibility on the Company's assignment.
7. Establishing assessment to show clear and accurate financial statement.
8. The Company promotes the diverse communication channels so that employees and stakeholders can identify suspicion clues by ensuring that the whistleblower is protected without being penalized, unfair treatment or bullying in any way and appointing a person to monitor all incoming notifications. The Company also provides the set-top box and e - mail to report directly to the Chief Executive Officer (CEO) or Chief Executive Personnel (CPO).
9. Provided the anti - corruption policy to cover all of personal management procedure, from selecting, promotion, training, assessment, and remuneration for understanding communication's commander to the staff of efficient governance.



Staff care and development for quality and efficiency

The Company believes that qualified and potential staff is the most important mechanism that enables organizations to grow continuously and steadily. The Company is focused on development and increase the skills, knowledge and ability to perform including creating a positive attitude towards a culture to work together constructively. The Company use different methods appropriate to personnel development which is especially important for staff to be of quality and efficiency which will also increase the competitiveness of the organization. The approach is divided into training and development for new staff and training and development for existing staff.

1. Training and development for new staff

- Orientation of new personnel to provide knowledge and from the first step he joins the firm so he would understand the basics of organization and be adaptable to work successfully and happy.
- Learning plan of staff in each position (On the Job Training) in cooperation with the departments involved. Plan to measure and monitor the learning results according to the needs of each job which includes basic courses and other courses based on the performance of each position until the end of the probationary period, a proficiency exam before the trial to ensure that new staff can apply what they learned in real practice according to the nature of the job and the business of the Company and the course on the employees welfare according to the law.
- CEO meets new staff activity: The new staff will learn of concept, work policies and culture directly from the CEO which will impress on the new staff and help them to appreciate the importance of other new employees.



2. Training and development for existing staff

The company has set up a plan for the development of individual personnel to enable the employees to work as planned as well as to prepare them for the change of position and promotion which is based on the following framework.

- Development according to the Training Roadmap based on the job position and length of working period so that the employees will be ready for the adjustment and management for each position as expected by the organization.
- Personnel development according to Individual Development Plan (IDP) which is personnel development as needed so that they would be able to work according to their individual goals which consists of the development both the knowledge, skills and attitudes using the following methods:



1. Seminars within the organization by letting the skilled personnel with expertise in various fields to be the speakers to relate knowledge, skills and expertise to colleagues
 2. Knowledge Sharing Program by specialists in such issues as the transfer of knowledge and experience direct to the employees
 3. Assign the staff to attend outside seminar according to Training Roadmap & IDP PlanP
3. Assign executives and staff to visit and observe the leading suppliers, partners and exhibitions to exchange and learn new experiences and new technologies.
- The Company has focused on the efficiency and effectiveness of the application of the knowledge gained in various fields. It can be seen from the fact that the Company has set up a follow-up measure through the supervisor of the person attended the training. Implementation of this personnel development plan is done aggressively at all levels. The Company has scheduled to review the personnel development plan for appropriateness every year.

- The Company has also set up the framework for the Core Competency by communicating the Core Competency to the staff constantly. The Company also uses the activities such as the communication on expectation of the set competency and 360 degree communication with reverse score being sent to individual employees and departments so that employees and supervisors will be notified of the results so that each one will use such results to improve and develop the potential of himself and the team's.

Health care of employees

The Company has focused on the health care of the employees very seriously because good health is fundamental to making employees happy and reducing barriers to the creation of good jobs. In recent years, the Company has provided an annual check to the employee by the check-ups package in accordance with the age of employees and the position with the Company. The result of annual health check will be analyzed and assigned to the HR to closely monitor the progress of the treatment. The Company also provides accident insurance and health insurance for employees as well.

In addition, the Company also arranges events to encourage employees to focus on health care issues such as communication and information related to health care through the radio and the Line employees group, MACO Healthy Society columns and promoting the exercise in the annual sporting event, futsal and table tennis tournaments, futsal and yoga clubs, etc. The Company also provides a fully equipped exercise room for employees. The care of the employees according to the "5S principles" along with a good working atmosphere will allow employees to be healthy and happy while working.



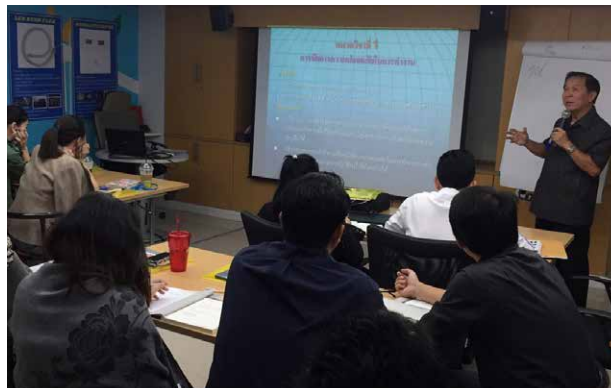
Setting Up Policies that Do Not Involve Human Rights Violations

The Company recognizes the importance of preventing human rights violations in human resources management since it is a fundamental right of every man. The company has fulfilled obligations relating to employment and labor laws seriously including consideration of the issues that may affect the human rights violations such as no restriction on sex in hiring staff. In this regard, the Company will consider the ability and suitability of candidates.

Staff safety

The Company has set safety policies while working and used with all staff and supplier strictly because the Company recognizes the need to make safety a part of success in the job (Safety in Process). It must be done to ensure a safe working atmosphere that is always an integral part of the mindset. The Company has arranged for the professional safety officers and the training to the supervisor and management as well as providing safety knowledge to the employees regularly. It also has established the Safety Committee to ensure the safety at work in the office and at work sites. The Company has also arranged for cultivating the sense and understandings of safety on the staff at all levels so that they will have a better understanding and receive information and data with respect to safety, occupational health and environment from their own departments and external agencies.

In the past year, the Company has communicated about safety, occupational health and environment in the workplace through multiple channels, such as voice over the wire, forum, information board, intranet on a monthly basis so that employees will be aware of the importance of safety, occupational health and environment in the workplace. This can be proved by the fact that there was no injury statistic both in the office and the work sites. In addition, the Company



also organized the campaign to prevent and combat drug trafficking by random drug testing in order to promote worker safety, occupational health and environment in the workplace as well. The Company continues to participate in the White Factory Project with the Ministry Labour and Social Welfare to make the office a drug-free office.

Employee development to advance the career

In addition to the training and development of personnel, the Company also takes into account the supporting to the employees on career progression. In making a plan for training and employee development, we have considered the preparation of personnel to support the advancement with each individual's position to grow together with the success of the organization. The Company has focused on training and staff development to provide skills, knowledge and capacity by improving weaknesses and strengths. We plan with the employees and supervisor on career advancements so that employees will be aware of the opportunities for future advancement including the timeframe for position adjustment.

Setting the corporate direction and communications

The Company has always focused on communicating corporate goals with the conviction that communication is a key to help the employees at all levels share the same vision and goals in the same direction. The Company continues schedule for regular meetings to review and communicate the results of the corporate operations so that employees will be aware of the operations and the performance of the organization, the performance of the various departments and get to know the plan in the next quarter of the relevant departments as well as be aware of the threat or the impact that might happen for each quarter. This approach is a means to stimulate all staff to be alert, encourage sharing whether the knowledge or mistakes as well as the success in order to use this opportunity to improve efficiency and to acknowledge the corporate plans for a smooth operation and promote team work as well.

The Company's management and the successors of departments have worked together on the Corporate Strategy under the guidance and direction from the Board of Directors. Having the staff of the management from the lower level to

take part in the planning, implementation and transfer of such directions to various departments by the successor helps make the corporate strategy becomes a business plan and budget plan that are aligned in the same direction. The management and staff at all levels also set the objectives and Key Performance Indicators (KPIs) that are transmitted respectively from the organization level to departments and staff levels. Objectives and indicators defined by the staff will serve as the framework for the operation and standards for the evaluation of the performance of individual employees as well as contribute to the consideration of compensation and the adjustment of the annual salary.

Strengthening the good relationship in the organization

The Company has arranged various activities such as among the executives, among staff and between the employees and the Company. Recreational activities in various forms such as sporting events and touristic activities for the year have been arranged to help the staff see the importance of exercise, help them to relax after being stressed from work and encourage the staff to get to know each other more intimately. The Company also supports the parties to tighten relationship among the staff, parties of each department and New Year's party for everyone in the Company.

The Company has arranged for the communication from staff to the Company through employee satisfaction survey which helps the executives to understand the needs of the staff which will lead to improvement. The Company is confident that communication is a key to good relationship between the executives and the employees and will help to achieve the corporate goal together.

Maintenance of working environment

The Company has improved its offices and working environment for employees, aiming at creating the feeling



of being a second home, so that the working place and its environment are conducive to business operation. The Company is mindful of physical health, cleanliness and safety of the staff's lives and property as well as welfare and good working environment such as providing suitable lighting for each nature of works and inspecting drinking water quality. The Company also arranges for 5 - S activities in the offices on a continuing basis. There is a quarterly competition for 5-S areas in the Company. It also provides safety officer at the executive level, professional safety officer, and Safety Committee on health and environment in the working place, to take care of welfare and safety in the office and the Company. The Company's also joins the White Factory Project of the Ministry of Labour and Social Welfare, to show its intention to make a work place free of narcotics on a continuous basis.

Consumer responsibility

- The Company provides the customer with the detailed information of advertising media and clear sale pricing to make it easier for the customer's decision. Media advertising, customer information is advertised as correct information and does not hinder the buyers from the correct content or be misleading.
- We respect the privacy of clients and consumers by not disclose personal information for benefits that are not in the business of the Company without consent.
- The contracts between suppliers and customers are fair and clearly written, readable and easy to understand. The Company counter - party is allowed to study and inquire the information of the media or the media production contracts before signing.

2. Environmental and social responsibility outside the process (After Process):

Most of the support went to social activities and charitable activities such as donating old books to schools, donating items to help with critical events such as flooding or to help poor rural communities as well as making merit with the locals, etc.

Environment

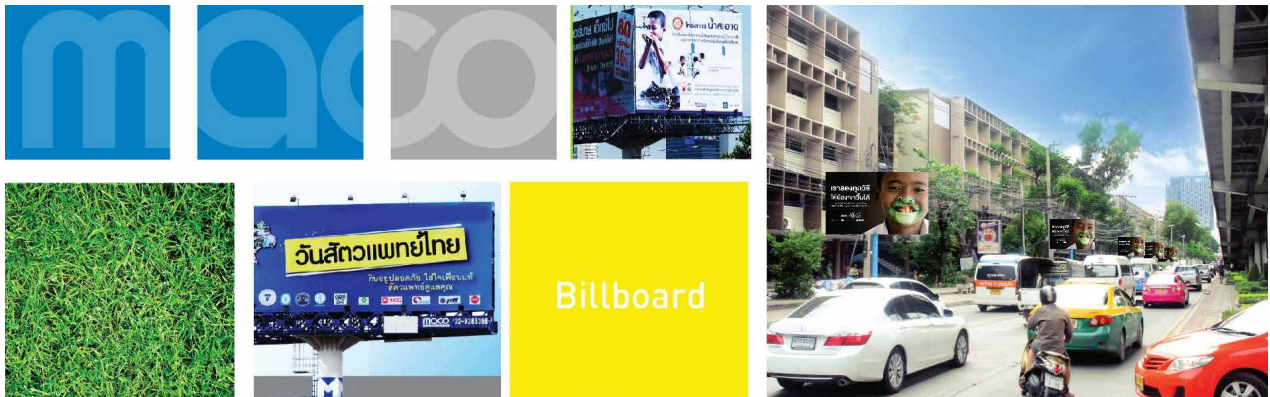
The Company has a policy to use resources wisely and efficiently as possible by turning off lights and air conditioners during lunch breaks and after work including the introduction of renewable resources such as using recycled paper, printing on both sides of a paper sheet, emailing and to store data in electronic format and so on.

The Company's policy is in line with the government agencies to save electricity. The advertising media of all types that require lighting must be automatically turned off after 10:00 pm. and must be implemented and acknowledged in writing by the employees and the clients.

The community and social development

- The Company participated in the social investment programs by establishing the MACO Media for CSR which was the policy to provide 10% of the advertising space for government agencies or the charities to communicate the content related to social responsibility. The Company has been promoting such policies through the print media and online media to public. In 2016, the Company donated the advertising space to local agencies to be utilized as follows:

- Supported the Operation Smile Foundation by offering advertising space to publicize the fundraising project to help children cleft lip and palate without charge.
- Provided support for Ramathibodi Foundation to raise money for the construction project of Chakri Naruebodin Medical Institute.



- The Company was involved in the sustainable community development program through the project of “Turning the wasteland for Thai Farmer, Year 3” in the theme of “We are full, to be continue” at Wat Don Sai Community, Phetchaburi Province. The objective of this project was to assist and develop the community by turning the empty land into rice paddy field. After the rice harvest, all rice products had provided to the community, school and other foundations for further benefits.
- The Company was aware of the thousands people being suffered from the flooding in Thailand. As a result, the Company had induced our executives and staffs to donate items, such as a lifebuoy, life vests, plastic boats with outboard engines through Raks Thai Foundation with the intention to help alleviate the suffering of the flood victims in Bang Ban District, Phra Nakhon Si Ayutthaya Province.





I INTERNAL CONTROL AND RISK MANAGEMENT

Internal Control System

The Company recognizes the importance of continuous internal control. The Board has entrusted the Audit Committee to review and evaluate the internal control system to ensure its adequacy and appropriateness to the business, effectiveness and efficiency of operations, the use of resources, property maintenance to prevent or minimize the damage, leakage or wastage and corruption, accounting and financial reporting in an accurate and reliable manner, as well as compliance to laws and regulations relating to the business.

The Audit Committee functions and comments freely. The Auditors of the Auditor IVL Co., Ltd. will audit the Company's internal control system to ensure its effectiveness and being up to date. Ms. Chollada Chanim, the Assistant Director of Finance is responsible for monitoring the internal audit of the Company. In 2016, the internal auditor examined the internal control system as follows.

1. Sales and revenue collection system
2. Media production and advertising costs system
3. General procurement and property control systems
4. HR system
5. Financial, accounting, budget and taxation systems

The Office of Internal Audit is responsible for assessment of the internal controls in accordance with the guidelines of Directors, examining in a preventive manner and beneficial to the Company, properly considering the reliability of financial reports, checking for adequate information disclosure to ensure transparency and monitoring compliance with best practices of corporate governance. It also aims to increase efficiency and effectiveness in the operations including a review of the anti-corruption within the organization based on international standards and report to the Audit Committee on a quarterly basis. The report contains recommendations (if any) as well as the management's suggestions. At year - end

a report should be prepared as the guidelines for the prevention of corruption in the organization and to be reviewed every year.

In 2016, the Auditing Committee has review the internal control system being assesses by the management and the Office of Internal Audit. No issues or significant deficiencies have been found which is consistent with the opinion of the Company's auditor.

Opinions of the Board of Directors on the Internal Control System

From the Internal Control Report for 2015 as well as the Risk Management Report by the Auditing Committee every quarter, the Board of Directors is of the opinion that the Company's internal control system is adequate and appropriate.

Risk Management

Master Ad Public Company Limited. and its affiliates have recognized and focused risk management in order to mobilize the Company efficiently with stability, financial sound and be able to generate the satisfactory benefit to the shareholders.

Under the business's complexity and continually changing, the Board and directors of the Company have agreed to utilize of the risk management system in the Company as a tool to assist in determining the direction, strategy, and its business operations as well as enhance the capacity building, ceate business opportunities, as well as improve the processes continuously. The risk management system will also help the company to achieve its overall objectives with good corporate governance and to create additional value for shareholders and stakeholders. By adopting risk management as part of corporate culture, employees at all levels have been aware of their responsibilities in the risk management and jointly set the risk management policies as follows:

1. Regarding any acceptable risk with the level of risk acceptable to the Company, the Risk Management committee must give an approval prior to any implementation.
2. The risk management is the responsibility of staff at all levels. Everyone is to be aware of the risks that is taking place in each one's department and the Company and everyone needs to focus on managing risks under the internal control system at adequate and acceptable level.
3. Encourage and support the risk management as an important tool in personnel management. The staff at all levels must understand, cooperate, and use the risk management for a good image as well as strengthen good governance, management excellence, and create confidence to the shareholders / stakeholders of the Company.
4. Promote and develop the use of modern information technology in risk management of the Company. Personnel at all levels must be able to access to information concerning the risk management thoroughly as well as set a reporting system on risk management to the Risk Management Body and Committee effectively.

Risk Assessment from Corruption

The Company has risk assessment from corruption by the internal auditor and report directly to the Audit Committee.

In 2016, the Audit Committee received the reports on risk assessment from the Risk Management Committee and risk management report. No substantial problems or defects were found which is consistent with the opinion of the auditor of the Company.

Information of the Head of Internal Audit and Head of Corporate Governance

1. In the meeting 1/2015 of the Audit Committee, IVL Auditing Company was appointed to do the Company's internal auditing in 2015 by Miss. Wanlee Sibonroeng, the head of Internal Audit with the primary responsibility to handle the internal audit function of the Company. The qualification of the head of internal audit can be found in the Form 56 - 1.
2. Opinion of the Audit Committee to ensure that the head of internal audit has qualification, experience, and with adequate training to perform the duties The Audit Committee has considered the qualification of IVL Auditing Company and Mrs. Wanlee Sibonroeng as suitable and appropriate to the performance of such duties due to the independence and experience in performing the audit.
3. Guidelines for appointment, transfer and dismissal of heads of internal audit The consideration and approval, appointment, transfer and dismissal of the head of internal audit of the company must be approved by the Audit Committee.



I Related Party and Transactions

The Company has significant transactions with persons and related transactions. (Related by shareholders and / or directors and management) Last year, the Company and its affiliates have significant business transactions with persons who may have a conflict of interest, necessity and reasonableness of the transaction as follows:

Related Company	Relationship
Inkjet Images (Thailand) Co., Ltd.	<ul style="list-style-type: none">- Operating the business to produce advertising graphics with computerized inkjet printer- Master Ad Plc. holds 49.99%, Pico (Thailand) Co., Ltd. (Plc) holds 22.22%, Mr. Lim Chee Min holds 16.67%, and Ms. Pornthip Lohrattanasanei holds 11.11% of shares and Master & More Co.,Ltd. 0.003%
Landy Development Co., Ltd.	<ul style="list-style-type: none">- Office rental business- Master Ad Plc. holds 48.87%, Landy Home (Thailand) holds 36.24%, DAII Group holds 14.89% of shares
LandyHome (Thailand) Co., Ltd.	<ul style="list-style-type: none">- House construction and engineering services.- Master Ad Plc. and Landy Home (Thailand) Co., Ltd. have Mr. Phichet Maneerattanaporn as the same major shareholder who holds 7.19% of Master Ad Plc. and 95% of Landy Home (Thailand) Co., Ltd.
VGI Global Media Public Co., Ltd.	<ul style="list-style-type: none">- Network services, Lifestyle Media (1) Advertising in mass transit (BTS) (2) Media in offieces and others- VGI Global Media Public Co., Ltd. is a major shareholder in Master Ad Public Co, Ltd. with 33.78 % holdings.- VGI Global Media Public Co., Ltd. sent 6 executives to be the Directors of the Company<ol style="list-style-type: none">1. Mr.Mana Jantanayingyong Chairman of the board of Directors2. Mrs.Suparanan Tanviruch Director / Chief Executive Officer3. Mr.Surachet Sangchayosawat Director4. Mr.Chaiyasit Puvapiromquan Director5. Mr.Chavin Kalayanamitr Director6. Ms.Daranee Phanklin Director

Connected Transaction

For the past year, the company and its subsidiaries have some important business with the parties which may have conflict interest and have necessity and reason to do the items as follows:-

Persons / entities of potential conflict	Relationship	Nature of Transaction	Details and Pricing Policy	Transaction Value (million Baht)		Necessity and Rationale
				2016	2015	
Inkjet Images (Thailand) Co. Ltd. Built up in order to offer computerized advertising graphics	A joint investment with Master Ad Plc. holding 49.99%, Picoo (Thailand) Public Co., Ltd. 22.22%, Mr. Lim Chee Min 16.67%, and Ms. Pornthip Lohrattanasaney 11.11% and Master & More Co.,Ltd. 0.003%	The company rent an office on Vibhavadi-Rangsit Road, with the space of 2,000 sq.m. in order to use it for advertising media and give 452.05 sq.m. to the joint-venture company to rent for 3 years which will be ended on 31st December 2019	100 baht/sq.m./month which is a higher price than what the company rent from the building owner which is at 47.50 baht/ sq.m./ month because the company has renovated the rented space to be able to utilize with other facilities.	0.57	0.57	To divide the renting space to the joint-venture company. Because there is some space left and able to split some space to rent to the joint-venture which helps to reduce the company's cost.
				8.47	11.53	
Landy Development Co.,Ltd. Office rental business	1. Shareholding by Master Ad Public Company Limited holds 48.87%, Landy Home (Thailand) Co. Ltd. Holds 36.24%, Daii Group Plc. holds 14.89% 2. Mr.Vichit Dilokvilas who is the company's director, is its director	1. The company rent building space of Landy-Mastern building 2 with total space of 2,550.24 sq.m. 2. The company hires the joint-venture company to produce some images to use on the company's media	The price is no different from other production house. 390 baht/sq.m./month and electricity bill is around 100,000 baht/month Remarks: Rent means the rent and central expense.	12.23	12.69	Rent the space to do business. The rent is not different from other people.

Connected Transaction (Continue)

Persons / entities of potential conflict	Relationship	Nature of Transaction	Details and Pricing Policy	Transaction Value (million Baht)		Necessity and Rationale
				2016	2015	
		2. The company is the guarantor for the loan according to the shareholding	Credit guarantees in proportion to their shareholding. To finance working capital. Loan of 19 million baht As of December 31, 2016 Landy Development Development Co., Ltd. has debt outstanding Baht 4 million, representing a debt to equity ratio of 48.87%, amounting to 1.95 million baht.	The loan amount 19 Million Baht. indebtedness 4 Million Baht	The loan amount 53 Million Baht. indebtedness 13.47 Million Baht	According to the bank conditions as general business in order to create trust for the joint-venture company when borrowing money from the bank to build a new office building.
VGI Global Media Plc.	- VGI Global Media Plc. is the largest shareholder of Master Ad Plc. by holding 33.78% of shares and sent its 5 executives to be the directors of the Company	VGI Global Media Plc. being appointed as the Media broker	Pricing is based on normal business terms. Media agreed price is the price that can be referenced.	315	300	To increase sales channel. This appointment of sales representative will help the Company to get benefits from the increasing revenue, knowledge sharing between the parties, including the use of resources that is of Economy of Scale.

Procedures to approve the connected transactions

The Company has established policies and procedures for approval and implementation of transactions and items that may have a conflict of interest as follows:

1. If the Company enters into any contract or transaction between the Company, its subsidiaries, affiliates, and/or any third party, the Company will consider the need for and the feasibility in contracting by taking into account the interests of the Company and the Pricing conditions like other customers. Connected transactions must be made at a fair market price and in accordance with normal commercial business (Fair and at arm's Length).
2. The transaction, which is deemed connected as stipulated by the SEC criteria, shall righteously and completely follow SET and SEC stipulations as well as passed the verification process of the Audit Committee in the event that such connected transaction requires the Board's consideration.
3. A director with conflict of interests in any issue shall refrain from voting on or attending the meeting on that agenda item.
4. In the transaction connected to normal business transaction or common business support transaction, within the management's authority, the Company shall calculate the price as well as terms and conditions on the arm's length basis. If there is no such benchmark, the Company shall compare the price of its products and services to outsiders' under the same or similar terms and conditions. To assure that such price is reasonable for the best interests of the Company, the report prepared by an independent evaluator hired by the Company can be deployed to compare the price for critical connected transaction report. The authorized signatories shall not be the person who is authorized to approve a budget amount and the management who has self-interests in such a transaction.

5. Provision of financial support or guarantee of subsidiaries or connected people shall be cautiously performed for the best interest of the Group. The charges, e.g. interest, guarantee fees, etc., shall be calculated with the market price on the date when the transaction takes place.

6. In the event that the connected transaction has the value which requires the shareholders' ratification by three - fourths majority vote, the major shareholders who are stakeholders are allowed to attend the meeting in order to complete the quorum, but do not have voting rights. The criterion on base of the vote calculation to approve the connected transaction, excluding stakeholders' part, then, is irrelevant to the quorum and number of votes.

Policy on Connected Transaction Between the Company & Its Subsidiaries and Directors or Their Connections

The connected transaction between the Company together with its subsidiaries on one hand and the directors, the management or their connected person on the other shall always require the Board of Directors' resolution, except for a transaction worth less than one million Baht. Instead, the Chief Executive Officer (CEO) is authorized to approve of such transaction and is required to report to the Board of Directors within 14 days after such resolution. The transaction shall conform to the terms and conditions of a standard price, or there is a public announcement on sale-promotion price which is equitably available to other customers or can be compared to general market price.

To count the aforementioned value, the multiple connected transaction of the same type, feature, or condition, originated in six consecutive months by an individual or related people, or close relatives shall be treated as a single entity.



Policy on Connected Transaction of Futurity

The connected transaction among the Company together with its subsidiaries on one hand and the directors, the management or a connected person on the other shall always require the Board of Directors' approval, except for the transaction worth less than one million Baht. Instead, the Chief Executive Officer is authorized to approve of such transaction and is required to report to the Board of Directors within 14 days after such approval. The transaction shall conform to the terms and conditions of a standard price, or there is a public announcement on sale - promotion price which is equitably available to other customers or can be compared to general market price.

To count the aforementioned value, the multiple connected transaction of the same type, feature, or condition, originated in six consecutive months by an individual or related people, or close relatives shall be treated as a single entity.

In this regard, the Company shall abide by the laws, bylaws, announcements, orders, or stipulations on stock and securities, including the best practice on information disclosure of connected transaction as well as the receipt and purchase of the Company's assets or its subsidiaries, as stipulated by the Stock Exchange of Thailand (SET).

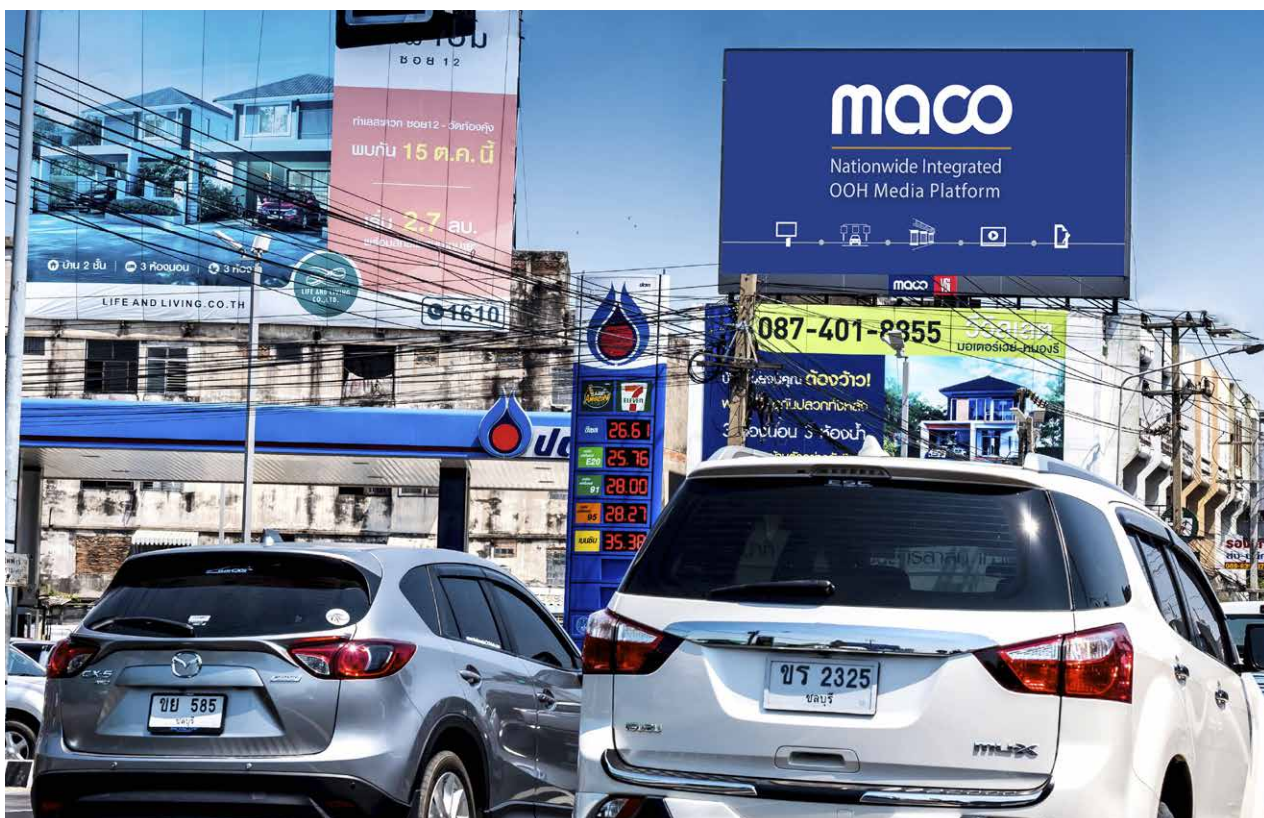
As for the connected transaction taking place at the present time, the Company has laid the following operational policies.

office rent for subsidiary and joint venture

The Company expects to allow its subsidiaries and its joint ventures to continually share the area rent at its office on 24/43 - 45 Vipavadee Rangsit Road., Ladyao Chatuchak Bangkok 10900.

graphic production

In the event of the graphic jointly produced by the Company, the Company delivers such work for flexibility of controlling performance and time in production.



I Profile of Director and Executive

Mr. Mana Jantanayingyong Chairman of the Board

Age 57

Education

- Bachelor of Business Administration in Major Marketing Management, Rajamangala University of Technology
- Director Accreditation program (DAP)
- Audit Committee Program (ACP)

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

- | | |
|-----------------|--|
| 2012 - May 2016 | <ul style="list-style-type: none">• Independent Director/ Audit Committee/ Nomination Committee and Compensation VGI Global Media Plc. |
| 2005 - 2007 | <ul style="list-style-type: none">• Chief Executive Officer Group M |

Mrs. Suparanan Tanviruch

Authorized Director/
Chairman of the Executive committee/
Chief Executive Officer

Age 51

Education

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Thammasat University
- Director Certification Program (DCP)
- TLCA Executive Development Program (EDP)

Amount of Share (%)

- 0.01

Relation among family within the Company

- none -

Working Experience

- | | |
|-----------------|---|
| 2016 - Present | <ul style="list-style-type: none">• Director Master & More Co.,Ltd. |
| 2016 - Present | <ul style="list-style-type: none">• Director Green Ad Co.,Ltd. |
| 2016 - Present | <ul style="list-style-type: none">• Director Inkjet Images (Thailand) Co.,Ltd. |
| 2016 - Present | <ul style="list-style-type: none">• Director Maco Outdoor Sdn.Bhd |
| 2016 - Present | <ul style="list-style-type: none">• Director Open Plays Co.,Ltd. |
| 2016 - Present | <ul style="list-style-type: none">• Director Eyeball Channel Sdn.Bhd |
| 2009 - May 2016 | <ul style="list-style-type: none">• Chief Financial Officer VGI Global Media Plc. |
| 2000 - 2008 | <ul style="list-style-type: none">• Finance & Accounting Director ITV |
| 1997 - 1998 | <ul style="list-style-type: none">• Finance & Accounting Director Shin Satellite Public Company Limited |
| 1991 - 2000 | <ul style="list-style-type: none">• AVP - Portfolio Management Shin Corporation Pcl (Intouch) |



Mr. Chaiyasith Puwapiromkwan

Director

Age 75

Education

- Master of Political Science, Sukhothai Thammathirat Open University
- Bachelor of Education, Education college, Srinakharinwirot University
- Advanced Diploma for Executives on Politics and Governance, Class 2, School of Politics and Public Administration, King Prajadhipok's Institute
- Director Accreditation Program (DAP) 118/2015

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

- | | |
|----------------|--|
| 2012 - Present | • Audit Committee and assessor
Bansomdejchapraya Rajabhat University |
| 2011 - Present | • Independent Director/Audit Committee
BTS Asset |
| 2008 - 2010 | • Independent Director/Audit Committee
BTS Group Plc. |
| 2004 - 2008 | • President - Bansomdejchapraya
Alumni Association, Under The Royal
Patronage of His Majesty The King
Bansomdejchapraya Rajabhat University |
| 2000 - 2004 | • Secretary
The Bangkok Metropolitan |
| 2005 - 2011 | • Secretary
King Prajadhipok's Institute
Institute'S Society |
| 1995 - 1996 | • Advisor Deputy Prime Minister
Prime Minister's Office |
| 1983 - 2012 | • Council Member
Bansomdejchapraya Rajabhat University |
| 1983 - 1990 | • Member
The House of Representative |
| 1979 - 1995 | • Editor
Deilimirror Newspaper |
| 1990 - 2000 | • Director and Secretary
Thai Citizen Party |
| 1975 - 1977 | • Secretary to the Minister
Ministry of Interior (MOI) |

Mr. Danai Tangsriviriyakul

Independent Director/
Audit Committee

Age 67

Education

- Bachelor of Accounting, Chulalongkorn University

Amount of Share (%)

- 0.01

Relation among family within the Company

- none -

Working Experience

- | | |
|--------------------------|--|
| 2009 - 2013 | • Part-time Lecturer
Dhurakij Pundit University |
| 2010 | • Chief Marketing Officer
Master Ad Plc. |
| 2005 - 2008 | • Client Service Director
Double P Co.,Ltd. |
| 1999 - 2005 | • Client Service Director
Prakit Publicis Co.,Ltd. |
| 1996 - 2005 | • Vice President
Marketing Association of Thailand |
| 1990 - 1999 | • Managing Director
C P & S Co.,Ltd. |
| 1988 - 1994 | • Director
Advertising Association of Thailand |
| 1982 - 1984, 1987 - 1989 | • Client Service Director
Ogilvy & Mather (Thailand) Co.,Ltd. |
| 1985 - 1986 | • Account Director
Ogilvy & Mather (New York) Co.,Ltd. |
| 1977 - 1981 | • Assitant Managing Director
Kamol Sukosol Co.,Ltd. |
| 1972 - 1976 | • Marketing Services Manager
Ford Motor (Thailand) Co.,Ltd. |

Mr. Paisal Tarasansombat

Independent Director/
Chairman of the Audit Committee

Age 51

Education

- Diploma, Assumption Commercial college
- Diploma in Business Study, Eastbourne College of art&Technology, United Kingdom
- Mini IE, Chulalongkorn University
- Top Executive Program : Class 10/2010, Capital Market Academy
- Director Accreditation Program(DAP), Class 21/2004
- Director Certification Program(DCP), Class 197/2014

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

- | | |
|----------------|--|
| 2015 - Present | <ul style="list-style-type: none"> • Director
Thai Listed Companies Association |
| 2011 - Present | <ul style="list-style-type: none"> • Director/ Chairman of Executive/ Committee and Chief Executive Officer
Thai Metal Trade Plc./ Steel Service Center |
| 2004 - Present | <ul style="list-style-type: none"> • Director
CONNEX Business Online Co.,Ltd.
Software Solution |
| 1986 - Present | <ul style="list-style-type: none"> • Director
Soon Huat Steel Co.,Ltd./ Property Lessor |

Mr. Surachet Sangchayosawat

Authorized Director

Age 52

Education

- Master of Public and Private Management, National Institute of Development Administration (NIDA)
- Bachelor of Engineering in Civil Engineering, King Mongkut's Institute of Technology North Bangkok Campus
- Development resources to the defense Program of, Office of the Army Controller, Class II

Amount of Share (%)

0.00

Relation among family within the Company

- none -

Working Experience

- | | |
|----------------|--|
| 2016 - Present | <ul style="list-style-type: none"> • Director
Master & More Co.,Ltd. |
| 2016 - Present | <ul style="list-style-type: none"> • Director
Green Ad Co.,Ltd. |
| 2014 - Present | <ul style="list-style-type: none"> • Strategic Planning Director
Bangkok Mass Transit Public Co.,Ltd. |
| 2012 - 2014 | <ul style="list-style-type: none"> • Coordination Department Manager
Bangkok Mass Transit Public Co.,Ltd. |



Mr. Chalush Chinthammit

Independent Director/
Audit Committee

Age 47

Education

- MBA Finance Banking, Mercer University
- Bachelor of Business Administration in Major Financial and Banking, Assumption University
- Director Accreditation Program (DAP) 2004

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

Present	<ul style="list-style-type: none">• Director KSL Co., Ltd.
Present	<ul style="list-style-type: none">• Director Savannakhet Sugar Corporation
Present	<ul style="list-style-type: none">• Director Koh Kong Plantation Co.,Ltd.
Present	<ul style="list-style-type: none">• Director Koh Kong Sugar Industry Co.,Ltd.
Present	<ul style="list-style-type: none">• Director/ Audit Committee Dhanarak Asset Development Co.,Ltd.
Present	<ul style="list-style-type: none">• Director Thai Sugar Terminal Plc. And Subsidiaries
Present	<ul style="list-style-type: none">• Director Khon Kaen Sugar Industry Plc.
Present	<ul style="list-style-type: none">• Director Khon Kaen Alcohol Plc.
Present	<ul style="list-style-type: none">• Director Khon Kaen Sugar Power Plant Co.,Ltd.
Present	<ul style="list-style-type: none">• Director KSL Export Trading Co.,Ltd.

Mr.Chavin Kalayanamitr

Authorized Director

Age 54

Education

- Master of Business Administration,
University of Phoenix, USA
- Bachelor of Engineering, California State Polytechnic
University Pomona, USA
- Director Certification Program (DCP) Year 2011,
Thai Institute of Directors

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

2016 - Present	<ul style="list-style-type: none">• Director Green Ad Co.,Ltd.
2000 - Present	<ul style="list-style-type: none">• Executive Committee/ Chief Technology Officer VGI Global Media Plc.

Miss. Daranee Phanklin

Authorized Director

Age 52

Education

- Master of Business Administration,
Dhurakij Pundit University
- Bachelor of Accounting,
Dhurakij Pundit University
- Director Certification Program (DCP) 204/2015

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

- | | |
|----------------|---|
| 2016 - Present | • Director
Master & More Co.,Ltd. |
| 2016 - Present | • Director
Green Ad Co.,Ltd. |
| 2008 - present | • Financial Controller
VGI Global Media Plc. |
| 2000 - 2008 | • Financial Manager
VGI Global Media Plc. |

Mr.Jutha Jaruboon

Executive Committee/
Chief Operation Officer (COO)

Age 59

Education

- Beachelor Degree in Public Administration
Police Cadet School
- Finance for non Finance Executive
KM School (2008)

Amount of Share (%)

- 0.01

Relation among family within the Company

- none -

Working Experience

- | | |
|-------------|--|
| Present | • Director
Eye on Ads Co.,Ltd. |
| Present | • Director
Multi Sign Co.,Ltd. |
| 2013 - 2014 | • Asst.CEO Business Relation
Master Ad Plc. |
| 2004 - 2012 | • Vice - Persident Operation Officer
Master Ad Plc. |
| 1998 - 2004 | • General Manager
Airline Business School |
| 1990 - 1998 | • Manager
Pacific Leather Co.,Ltd. |



Mr.Yanis Tipakorn

Executive Committee/
Chief Creative Officer (CCO)

Age 58

Education

- Bachelor of Arts, Chulalongkorn University

Amount of Share (%)

- 0.01

Relation among family within the Company

- none -

Working Experience

Present	<ul style="list-style-type: none">• Director Inkjet Images (Thailand) Co., Ltd.
2550 - 2557	<ul style="list-style-type: none">• Chief Innovative Officer Master Ad Plc.
2004 - 2006	<ul style="list-style-type: none">• General Manager Dentsu Plus Co.,Ltd.
2003 - 2004	<ul style="list-style-type: none">• Creative Director Bezz Co.,Ltd
1996 - 2003	<ul style="list-style-type: none">• Creative Director Low World Wide Co.,Ltd.
1990 - 1996	<ul style="list-style-type: none">• Creative Group Head Fareast Advertising Co.,Ltd.
1985 - 1990	<ul style="list-style-type: none">• Senior Copywriter Leo Bernet Co.,Ltd.
1984 - 1985	<ul style="list-style-type: none">• Copy Writer Fareast Advertising Co.,Ltd.

Mr.Nitus Tungsangprateep

Executive Committee/
Chief Investment Officer (CIO)

Age 54

Education

- MBA, Sasin Graduate Institute of Business
- Administration, Chulalongkorn University
- MBA, Thammasart University

Amount of Share (%)

- none -

Relation among family within the Company

- none -

Working Experience

Present	<ul style="list-style-type: none">• Director Master & More Co., Ltd
Present	<ul style="list-style-type: none">• Director MACO Outdoor Co., Ltd.
2015	<ul style="list-style-type: none">• Asst. Managing Director Winner Group enterprise Plc.
2011 - 2015	<ul style="list-style-type: none">• Commerce and administration Director Thanakorn Vegetable Oil Products Co., Ltd.
2010	<ul style="list-style-type: none">• Asst - Director Commerce Business Poonphol Co., Ltd.
2004 - 2009	<ul style="list-style-type: none">• Marketing and Planning Manager Sitthinan Co., Ltd.
1995 - 2004	<ul style="list-style-type: none">• Managing Director Master & More Co., Ltd

Miss. Tamonwan Narinthavanich

Executive Committee/Company Secretary/
Chief Financial Officer (CFO)

Age 53

Education

- MBA of Financial,
University of the Thai Chamber of Commerce (CEO MBA)
- Bachelor of Accounting,
Sukhothaithammathirat Open University
- Institute of Metropolitan development Mahanakorn 3
Super Entrepreneur Program for Society : SEP - S1
- Role of the Compensation Committee 16/2013
- Director Accreditation Program (DAP) 76/2008
- Director Certification Program (DCP) 177/13
- TLCA Executive Development Program (EDP9/12)
- Finance for non Finance Director 17/2010
- Corporate Secretary Program 12/2005

Amount of Share (%)

- 0.01

Relation among family within the Company

- none -

Working Experience

- | | |
|-------------|--|
| Present | <ul style="list-style-type: none"> • Director
MACO Outdoor Sdn. Bhd. |
| Present | <ul style="list-style-type: none"> • Director
Master & More Co., Ltd |
| Present | <ul style="list-style-type: none"> • Director
Green Ad Co., Ltd. |
| 2013 - 2014 | <ul style="list-style-type: none"> • Asst..Chief Executive Director
Master Ad Plc. |
| 2013 | <ul style="list-style-type: none"> • Code of Ethics in Investor Relations
Committee
Corporate Governance Center |
| 2011 - 2012 | <ul style="list-style-type: none"> • Accounting & Financial Director
Master Ad Plc. |
| 2005 - 2010 | <ul style="list-style-type: none"> • Vice - Director -
Accounting & Financial
Master Ad Plc. |
| 2001 - 2004 | <ul style="list-style-type: none"> • Asst.Director -
Accounting & Financial
Master Ad Plc. |
| 1996 - 2000 | <ul style="list-style-type: none"> • Accounting & Financial Manager
Master Ad Plc. |
| 1989 -1990 | <ul style="list-style-type: none"> • Accountant
Umnart & Associate Co., Ltd. |
| 1986 - 1989 | <ul style="list-style-type: none"> • Asst.Accountant
Vissavasahaphan Co., Ltd. |



Miss.Rodjana Trakulkoosri

Chief Business Development Officer (CBO)

Age 48

Education

- BBA in Marketing, Assumption University
- MBA, Assumption University of Thailand

Amount of Share (%)

- 0.02

Relation among family within the Company

- none -

Working Experience

Present	<ul style="list-style-type: none">• Director Open Plays Co.,Ltd.
2009 - 2015	<ul style="list-style-type: none">• Manager Director Master & More Co., Ltd
2005 - 2009	<ul style="list-style-type: none">• Senior Business Development Master & More Co., Ltd
2002 - 2005	<ul style="list-style-type: none">• Senior Product Supervisor Henkel Thai Co., Ltd.
1995 - 2002	<ul style="list-style-type: none">• Product Manager Datamat Co., Ltd.
1994 - 1995	<ul style="list-style-type: none">• Marketing Executive Narai Property Co., Ltd.
1992 - 1994	<ul style="list-style-type: none">• Sales Representative Datamat Co., Ltd.

Mrs.Uraiwan Boonyarataphan

Chief People Officer (CPO)

Age 44

Education

- Master Degree of Public Administration
Dhurakij Pundit University
- Bachelor of History, Kasetsart University
- Quality and Standard Program
National Productivity Institute
- TLCA Executive Development Program (EDP 13)
Thai Listed Companies Association
- Chief People Office 5/58
Panyapiwat Institute of Management

Amount of Share (%)

- 0.01

Relation among family within the Company

- none -

Working Experience

2013 - 2014	<ul style="list-style-type: none">• Asst.CEO HR, Admin&MIS Master Ad Plc.
2010 - 2012	<ul style="list-style-type: none">• Administration Director Master Ad Plc.
2003 - 2009	<ul style="list-style-type: none">• Acting Administration Director Master Ad Plc.
2002 - 2003	<ul style="list-style-type: none">• Asst.Director - Administration Master Ad Plc.
1999 - 2002	<ul style="list-style-type: none">• Administration Manager Master Ad Plc.
1997 - 1999	<ul style="list-style-type: none">• Administration section Manager Master Ad Plc.

MR.Chakrit Khemthong

Chief Marketing Officer (CMO)

Age 43

Education

- Master of Public Administration
Bangkok Thonburi University
- Bachelor of Arts Hospitality and Tourism
Kasem Bundit University

Amount of Share (%)

- 0.10

Relation among family within the Company

- none -

Working Experience

- | | |
|----------------|--|
| 2003 - Present | <ul style="list-style-type: none">• President
Multi Sign Co.,Ltd. |
| 2016 - Present | <ul style="list-style-type: none">• President
Advertising and Sign Production
Association (ASPA) |
| 2016 - Present | <ul style="list-style-type: none">• Director
Eye on Ads. Co.,Ltd. |



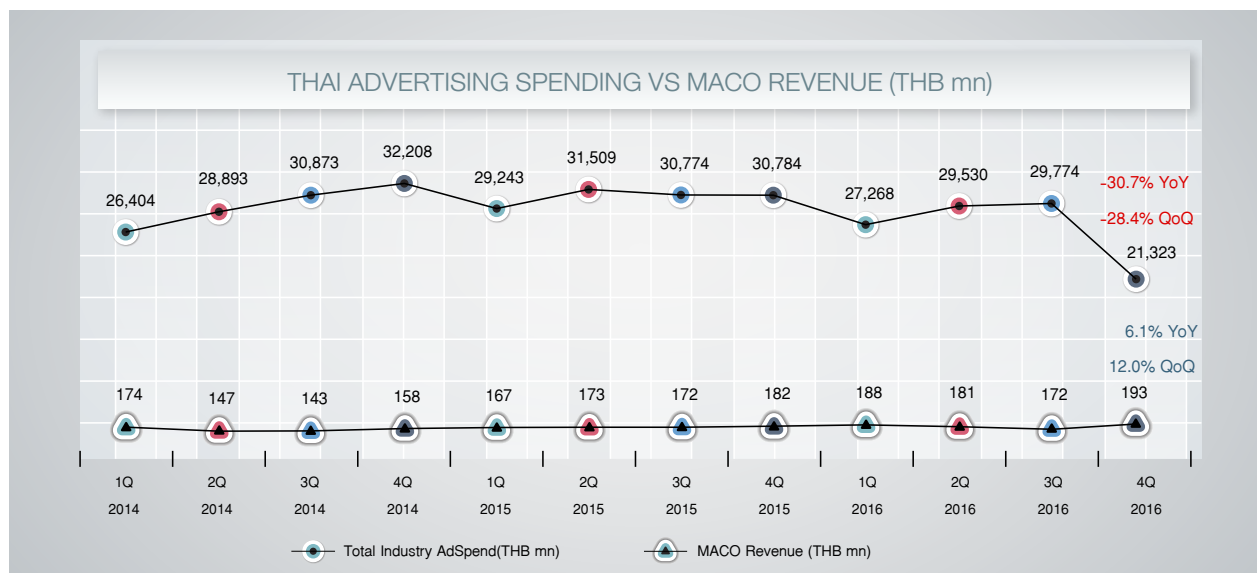
Detail the Board of Directors and Management of Master Ad Plc. Subsidiaries and associates as of December 31, 2016

Name	Master Ad Plc.	Subsidiaries					Associate		Holding by Subsidiaries	
		Master and More Co.,Ltd	Eye on Ads Co.,Ltd.	Green Ad Co.,Ltd.	Inkjet Images (Thailand) Co.,Ltd.	MACO Outdoor Sdn.Bhd.	Landy Development Co.,Ltd.	Openplay Co.,Ltd.	Eyeball Channel Sdn.Bhd.	Multisign Co.,Ltd.
1. Mr.Mana	Jantanayingyong C									
2. Mrs.Suparanan	Tanviruch D / OE / CEO	D		D	D	D	D	D	D	
3. Mr.Chaiyasit	Puvapiromquan D									
4. Mr.Surachet	Sangchayosawat D	D		D						
5. Mr.Paisal	Tarasansombat CAC / ID									
6. Mr.Danai	Tangsriviriyakul ID / AC									
7. Mr.Chalush	Chinthammit ID / AC									
8. Mr.Chavin	Kalayanamitr D			D						
9. Ms.Daranee	Phanklin D	D		D						
10. Mr.Jutha	Jaruboon E / COO		D							D
11. Mr.Yanis	Tipakorn E / CCO				D					
12. Mr.Nitus	Tungsangprateep E / CIO	D				D				
13. Miss.Tamonwan	Narintavanich E / Com Sec / CFO	D		D		D				
14. Miss.Rodjana	Trakulkoosri E / CPO									
15. Mrs.Uraiwan	Boonyarataphan E / CBO							D		
16. Mr.Chakkrit	Khemthong E / CMO		D							D
17. Miss.Nurahayatee	Maeroh PA		D							D
18. Miss.Chonlada	Chanin AD									D

Remark: C= Chairman of the Board of Directors, D=Director, ID=Independent Director, CAC=Chairman of the Audit committee, AC=Audit committee, CE= Chairman of Executive Committee, E= Executive committee, Com Sec =Company Secretary, CEO= Chief Executive Officer, COO = Chief Operating Officer, CCO= Chief Creative Officer, CFO= Chief Financial Officer,CPO= Chief People Officer, CBO= Chief Business Development Officer, CMO= Chief Marketing Officer, PA =Personal Assistant to CEO, AD = Assistant Director of Finance and Accounting

I Management Discussion & Analysis

MEDIA INDUSTRY AND BUSINESS IMPACT ANALYSIS



Source: The Nielsen Company (Thailand) Limited and Master Ad Plc

2016 was another challenging year for the media industry due to the slower - than - expected recovery of Thai economy as well as the suspension of advertising during the last quarter, which normally benefits from a high season, resulting in a worst contraction of the annual advertising spending in a decade, a decline by 11.8% YoY to THB 107,896mn.

TV sector (including TV, Digital TV and Cable TV), which accounted for 65.8% of the total advertising expenditures in 2016, appeared to impact the most from the suspension of advertising during the official 30 - day tribute to the late King, posting the drop by 16.0% from THB 84,512mn last year to THB 71,010mn in 2016. Traditional media (including Radio, Newspapers and Magazines) was also hit by weaker performance due to the shift towards to the digital media platforms, as evident from the decrease in full - year advertising spending by 19.1% from THB 22,278mn last year to THB 18,034mn.

However, Out - of - Home media - our focus segment - represents one of the fastest-growing segments in media industry as its advertising spending's shares continues a steady growth, accounted for 10.8% of the total in this year compared with 7.6% last year. The growth benefited from the exposure to out - of - home media as consumers spend more of their time outdoors. Throughout 2016, advertising spending via this segments surged by 25.2% to THB 11,676mn.

MACO outperformed the adverting industry with revenue growth of 5.8% YoY, reaching THB 735mn. The increase primarily from acquisition made in October 2016.



2016 CONSOLIDATED P&L SNAPSHOT

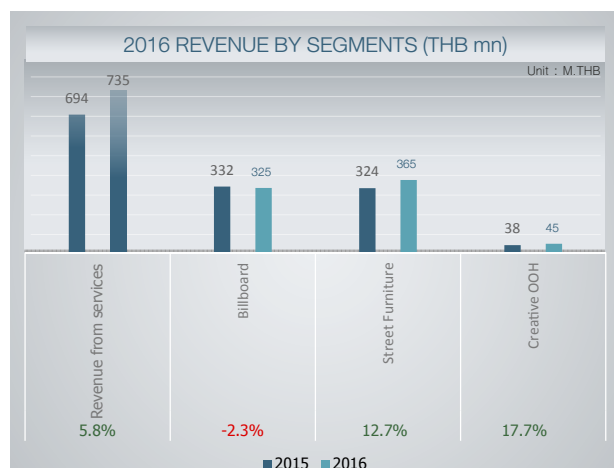
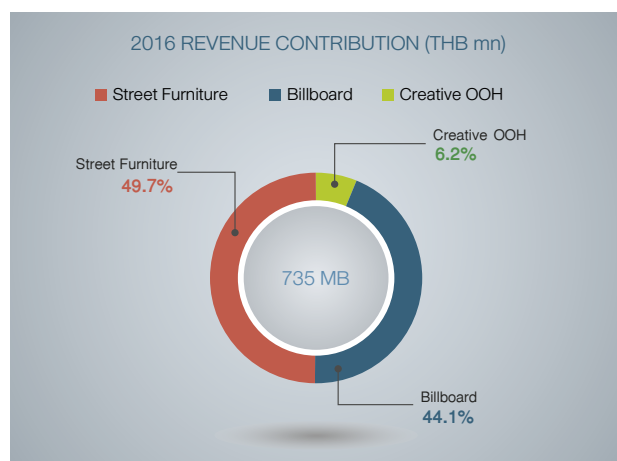
CONSOLIDATED P&L SNAPSHOT

THB (mn)	2015	2016	YoY (%)
Operating Revenue	694	735	5.8%
Cost of sales	309	330	6.8%
Gross profit	385	405	5.0%
EBITDA	245	173	-29.5%
Net profit from operation	171	104	-39.5%
Net profit (exc. Minority Interest)	171	102	-40.2%
Gross profit margin	55.5%	55.1%	
EBITDA margin	35.3%	23.5%	
NPAT margin (from operation)	24.7%	14.1%	
NPAT margin (exc. Minority Interest)	24.6%	13.9%	

2016 PERFORMANCE ANALYSIS (YoY)

In 2016, the Company's operating revenue was THB 735mn, increased by 5.8% YoY mainly from the consolidation of Multi Sign, which started in October 2016. Nevertheless, due to the slowdown in advertising expenditures which affected our occupancy in billboard segment since 3Q 2016 coupled with the unprecedented situation from the passing of the late King in the last quarter, revenue from Billboard declined by 2.3% to THB 325mn. Despite the lower than expected revenue from billboard, the Company recognised

higher revenue from Street Furniture and Creative Production. Street Furniture revenue increased by 12.7% to THB 365mn after appointing VGI as a media sale agent and Creative Production revenue increased by 17.7% to THB 45mn from higher revenue from customised production sector. For 2016, Street Furniture revenue contributed 49.7% of total revenue, Billboard media contributed 44.1% of the total revenue whilst creative production contributed the remaining 6.2%

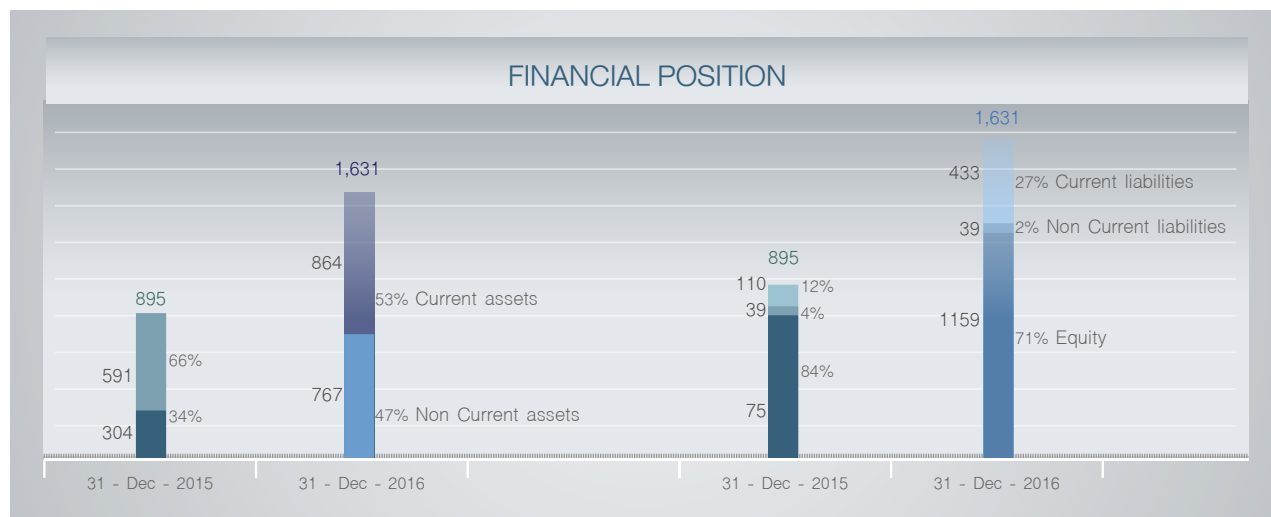


Cost of sale grew by 6.8% from THB 309mn in 2015 to THB 330mn due to the higher production cost of Street Furniture and the consolidation of Multi Sign, resulting in a reduction in gross profit margin to 55.1% from 55.5% in the previous year.

Selling, General and Administrative Expenses increased by 45.4% YoY to THB 281mn, mainly from the consolidation of Multi Sign as well as several of non-recurring expenses composing of

- 1) one-time compensation paid to executive management,
- 2) Multi Sign's acquisition related expenses
- 3) research and survey expenses on media effectiveness.

This consequently led to a reduction in net profit from operation to THB 104mn, a decrease by 39.5% YoY. However, as abovementioned, the increase in SG&A in this quarter is not a part of the Company's recurring expenses and will only impact the performance in a short term.



ASSETS

ASSETS BREAKDOWN	31 DECEMBER 2015		31 DECEMBER 2016	
	(THB mn)	% out of total	(THB mn)	% out of total
Cash & cash equivalents and Current investments	163	18.2%	484	29.7%
Trade & other receivables	338	37.8%	276	16.9%
Loan to related parties	13	1.5%	30	1.9%
Investment in associates	32	3.6%	36	2.2%
Building, Equipment and Intangible assets	171	19.1%	613	37.6%
Other assets	178	19.7%	192	11.8%
Total assets	895	100.0%	1,631	100.0%

Total assets as of 31 December 2016 stood at THB 1,631mn, an increase of THB 736mn or 82.3% from 31 December 2015. The **current assets** were THB 864mn, increasing by 46.2% or THB 274mn. The increase was primarily attributable to the consolidation of Multi Sign's financial statement which resulted in

- 1) an increase in Cash, Cash Equivalents and Current investments of THB321mn or 196.5%
- 2) an increase in Loan to related parties of THB 17mn or 125.1%. This was offset with a decrease in trade and other receivable of THB 62mn or 18.4% (see further details in Trade and other receivables)



Total non-current assets stood at THB 767mn, an increase of 152.4% or THB 463mn primarily due to the abovementioned acquisition resulting in

- 1) a gain in goodwill of THB 370mn
- 2) an increase in intangible assets
- 3) an increase in other non-current assets of THB 25mn.

Trade and other receivables were THB 276mn, a reduction of THB 62mn or 18.4% was due to the account receivables paid by VGI and other receivables. The Company gives 90 days credit terms to customers. The average credit terms paid by customers was 77 days as of 31 December 2016 and 70 days as of 31 December 2015.

AGEING OF TRADE RECEIVABLES (THB mn)	31 DECEMBER 2015	31 DECEMBER 2016
Not yet due	84	128
Up to 6 months	29	47
Over 6 months	18	13
Total	131	188
% of total receivables	38.8%	68.1%
Allowance for doubtful debt	10	13
% of total receivables	7.1%	6.9%

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES AND EQUITY BREAKDOWN	31 DECEMBER 2015		31 DECEMBER 2016	
	(THB mn)	% out of total	(THB mn)	% out of total
Trade & other payables	68	7.6%	327	20.1%
Accrued expenses	28	3.1%	91	5.6%
Other current liabilities	15	0.3%	7	0.4%
Non-current liabilities	39	4.4%	39	2.4%
Total liabilities	150	16.7%	472	29.0%
Shareholders' equity	745	83.3%	1,159	71.0%
Total liabilities and equity	895	100.0%	1,631	100.0%

Total liabilities were THB 472mn, increasing THB 323mn or 216.0% from THB 150mn as of 31 December 2015 mainly from an increase in trade and other payables of THB 259mn and accrued expenses of THB 64mn

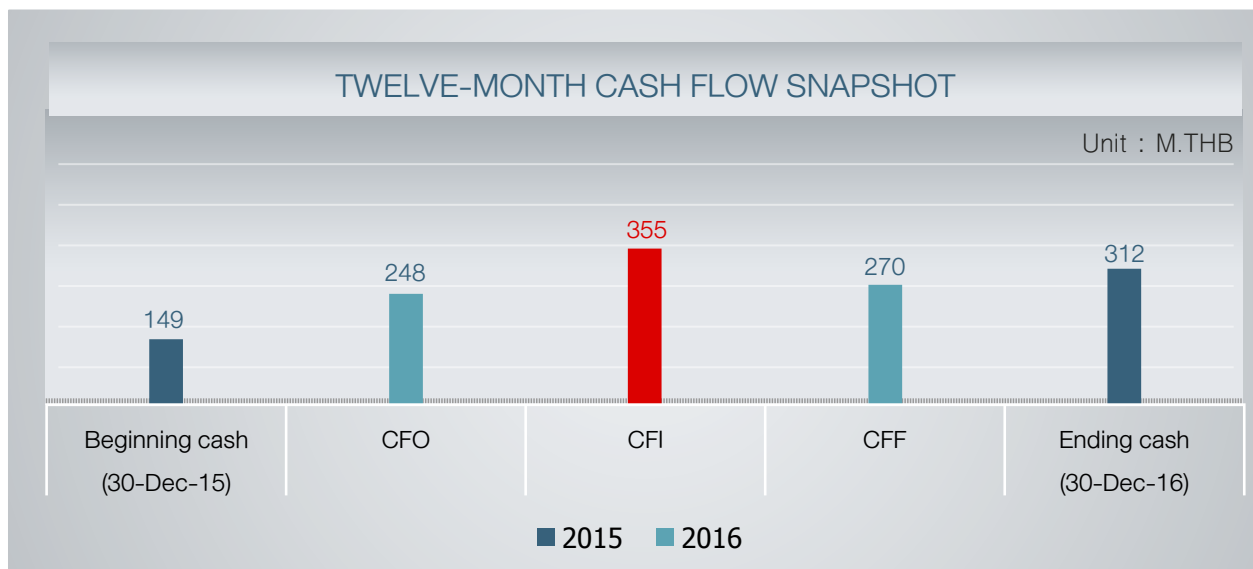
Total equity was THB 1,159mn growing by THB 413mn or 55.4%. This was attributed to an increase in paid-up capital of THB 33mn and premium on shares of THB 394mn after the Company issued and offered newly issued shares of 334mn shares to Ashmore OOH media on 26 October 2016.

Liquidity and Cash Flow

As of 31 December 2016, the Company had net cash inflow from operating activities of THB 248mn primarily from cash from operating activities of THB 285mn which was mainly offset by cash paid for corporate income tax and interest expenses of THB 40mn and THB 3mn, respectively. Net cash

outflow from investing activities was THB 355mn. The key components are cash paid to purchase shares in Multi Sign of THB 172mn and cash paid in temporary investment of THB 158mn. Net Cash inflow from financing activities was THB 270mn, mainly from the increase capital THB 428mn which was offset with the dividend payment of THB 146mn and long - term loan repayment of THB 11mn.

TWELVE-MONTH CASH FLOW SNAPSHOT



KEY FINANCIAL RATIOS

Profitability Ratios		2015	2016	Liquidity Ratios		2015	2016
Gross profit ¹	(%)	55.5%	55.1%	Current ratio	(times)	5.4	2.0
Operating EBITDA	(%)	35.9%	23.5%	Quick ratio ⁵	(times)	4.4	2.0
Cash-to-net profit	(%)	87.1%	305.9%	Account receivable turnover	(times)	5.2	4.7
Net profit (after MI)	(%)	24.6%	13.9%	Average collection period	(days)	70	77
Return on equity ²	(%)	24.6%	11.1%	Payable days	(days)	59.4	123.7
Efficiency Ratios				Leverage Ratios			
Return on assets ³	(%)	25.2%	11.5%	Liability to Equity	(times)	0.2	0.4
Return on fixed assets ⁴	(%)	165.4%	87.1%	Debt to equity	(times)	0.2	0.1
Asset turnover	(times)	0.8	0.6				

¹ Calculated from revenue from services

² Net Profit (Annualised) / Average Total Shareholders' equity (average of outstanding at end of the same period in the previous year and at end of this quarter)

³ Net Profit (Annualised) / Average Total Assets (average of outstanding at end of the same period in the previous year and at end of this quarter)

⁴ (Net Profit + Depreciation) / Net Average Non-current Asset (average of outstanding at end of the same period in the previous year and at end of this quarter)

⁵ Current Assets - Other Current Assets / Average Current Liabilities (average of outstanding at end of the same period in the previous year and at end of this quarter)



MANAGEMENT OUTLOOK

The Thai economy remained relatively stagnant throughout 2016. Moreover, overall sentiment has been impacted by the passing of the late King in the end of 2016. As a result, overall advertising expenditure dropped by 11.8% YoY.

Looking ahead, Bank of Thailand (BOT) forecasts that GDP is expected to grow by 3.2% for the full year of 2017, driven by the government spending on mega infrastructure projects and expansion in private consumption. Media industry, which is highly dependent on economic conditions, is forecasted to expand by 3-5% correlated with macroeconomic growth.

For the Company, 2016 marked by significant changes starting from VGI became a majority shareholder after its acquisition of additional 12.4% shares, raising the stake to a total of 33.77% of MACO. The Company has already initiated

some of its restructuring process in order to become more competitive amidst the ever-changing environment, reflecting in a higher of non-recurring expenses during the end of 2016. We also successfully expanded our billboard network in upcountry by acquiring 70% of Multi Sign with total investment value of THB 439mn, increasing MACO's network to 2,000 advertising panels and a nationwide coverage throughout Thailand. The Company recognised and sacrificed our margin in 2016 for the abovementioned restructuring as well as expansion, although, we strongly believe such transformation will stimulate our performance as well as reducing unnecessary expenses in a long term.

Going forward, we expect the total revenue to increase by 20-25% from the previous year, driven by organic growth from the digital expansion as well as an inorganic growth through the full year effect of the consolidation of Multi Sign.

I Audit Fee

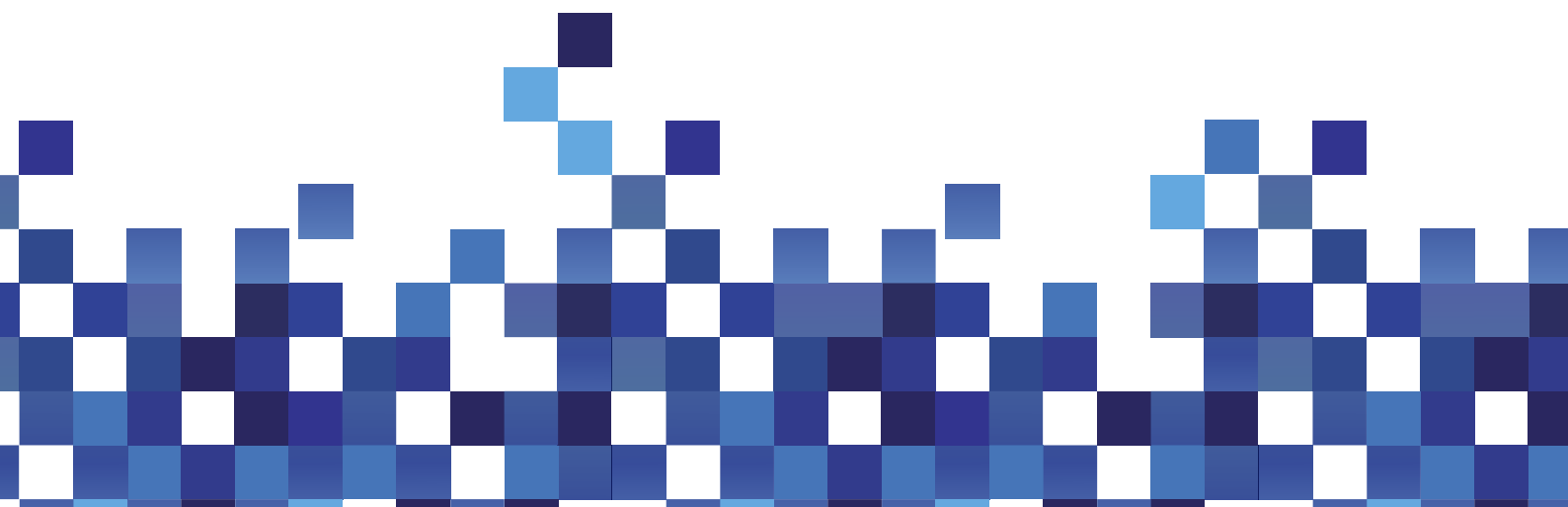
The Audit Fee for the company and subsidiaries paid comparison as of 31 December.

NO.	Paid by	AUDIT FEE		
		2014	2015	2016
		Price Waterhouse Couper ABAS Co.,Ltd. (PWC)		EY Office Limited. (EY)
1	Master Ad Public Company Limited.	880,000.00	920,000.00	910,000.00
2	Master & More Co.,Ltd.	550,000.00	577,000.00	580,000.00
3	Multi Sign Co.,Ltd.	-	-	400,000.00
4	Inkjet Images(Thailand) Co.,Ltd.	215,000.00	221,000.00	215,000.00
5	Landy Development Co.,Ltd.	170,000.00	170,000.00	161,000.00
6	Open Plays Co.,Ltd.	90,000.00	115,000.00	114,000.00
7	Eye On Ads Co.,Ltd.	90,000.00	90,000.00	90,000.00
8	Green Ad Co.,Ltd.	60,000.00	60,000.00	60,000.00
	Total	2,055,000.00	2,153,000.00	2,530,000.00

(Non Audit Fee) - None -



To develop our human resources continually
that leads to self development and learning organization.



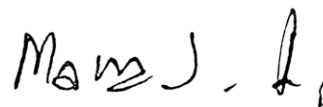
I The Board of Directors' Responsibilities Report

Dear Shareholders,

The Board of Directors is responsible for the separate financial statements of the Master Ad Public Company Limited and the overall financial statements of the Company together with its subsidiaries including information which appears in this annual report. The aforementioned financial statements have been prepared in accordance with Thai Financial Reporting Standards by deploying accounting policies which is appropriate and have been consistently adopted by the Company. Important information has been adequately disclosed in the notes supplemented to the financial statements for the benefits of the shareholders and general investors in a transparent manner.

To accomplish this task, the Board of Directors has appointed the Audit Committee to verify the accounting policy and the quality of quarterly financial statements before submitting for the Board's acknowledgement. The Audit Committee's comments on these issues are included in the Audit Committee's Report shown in this Annual Report. Specifically, the Audit Committee remarks on both the Company's and its subsidiaries' financial statements in the Audit Committee's Report that the Company's financial status, performance results and cash flow are deemed substantially accurate in accordance with Thai Financial Reporting Standard.

Based upon such supervision and practices, the Board of Directors believe that the overall financial statements and the Company's separate financial statements prepared for the year ended December 31, 2016, have shown accurate, reliable financial status, performance results, and cash flow conforming to the Generally Accepted Accounting Principles and the related laws, regulations and announcements.



Mr. Mana Jantanayingyong
Chairman of Board of Director



Mrs. Suparanan Tanviruch
Chief Executive Officer



I Report of the Audit Committee

The Auditing Committee has performed the duties according to the scope of responsibilities approved by the Board of Directors. The key functions include reviewing the Company's financial reports to ensure its accuracy and adequacy, reviewing the Company's internal audit control system for its efficiency and effectiveness as well as making sure of the Company's corporate governance according to good corporate practices. In 2016, the Auditing Committee arranged 4 meeting which can be summarized as follows:

1. Jointly reviewed and approved the financial statements of the Company,

quarterly financial statements, and annual financial statement before forwarding to the Board. The meetings were arranged together with the Company's auditor to listen on the explanation, the observations and the suggestions. The opinion was that the financial statements were prepared correctly as it should with adequacy and in accordance with Financial Reporting Standard.

2. Overseeing the Company Internal Control Systems and regulating the internal control effectively

In 2016, the Company requested the Internal Audit Office to examine the internal controls for two times in the 2nd quarter and the 4th quarter. From the evaluation of the internal control within the organization with the scope of the assessment based on the assessment of the adequacy of the internal control system of the Securities and Exchange Commission, the internal auditor agreed that the Company had adequate internal control system.

3. A review of risk management

The Audit Committee has reviewed the risk management system to ensure that the Company has the risk management that is effective and appropriate.

The report of the Risk Management Committee to the Audit Committee on a quarterly basis shows no substantial issues. The Audit Committee also made recommendations to the Risk Management Committee to improve the risk management even more effective.

4. Connected transactions review

The Audit Committee has reviewed the connected transaction with the companies in the group and inter-business groups to ensure that the Company has followed the normal business conditions and fully discloses of information adequately.

5. Ensuring compliance with the Company's Principles of Good Corporate Governance

The Auditing Committee monitors the Company's compliance with the Securities and Stock Exchange laws and other relevant laws strictly especially in regard to the transaction and items that may have a conflict of interest in order to comply with good corporate governance principles.

In 2015, the Auditing Committee commented that the Company has followed the good corporate governance principles effectively resulting that the assessment result from the Thai Institute of Directors (IOD) to the Company is rated as "very good", the assessment result on corporate governance report and the assessment result of the Annual General Meeting of Shareholders is also "excellent".

6. The selection of auditors for the year 2017

The Audit Committee has considered the auditors with regards to availability, scope of services, rates in accordance with the SEC rules on auditor and others and resolved to propose to the Board of Directors for approval by the shareholders meeting the appointment of: Mr. Narong Pantawong A Certified Public Accountant, Registration No. 3315 or Mr. Suphachai Panyawatthano A Certified Public Accountant, Registration No. 3930 or Mrs. Cholrot Santiasavaraporn A Certified Public Accountant, Registration No. 4523 The Auditors from E Y Co., Ltd. will be the auditors for 2016.

Overall Opinion of the Audit Committee

In 2016, the Audit Committee has performed its duties and responsibilities as specified in the Terms of Reference of the Audit Committee, in line with the requirements of the Stock Exchange of Thailand, with sufficient independence and protected the interests of all stakeholders. The Audit Committee is of the opinion that the company's financial reporting is accurate and reliable, according to generally accepted accounting standards. The Company's system of internal control and internal audit is effective enough and in legal compliance of Public Companies Act as well as the regulations of the Securities and Exchange Commission (SEC.) and followed the rules of the SET strictly all along.



(Mr.Paisal Tarasansombat)

Chairman of the Audit Committee



I Independent Auditor 's Report

To the Shareholders of Master Ad Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Master Ad Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Master Ad Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Master Ad Public Company Limited and its subsidiaries and of Master Ad Public Company Limited as at 31 December 2016, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The economic slowdown and changes in customer behavior have directly resulted in more intense competition in the advertising industry, which makes it necessary for the Group to boost sales by offering a variety sales promotions, discounts and special discounts. Moreover, the Group has agreements with a large number of customers. As a result, the Group's revenue recognition varies. The amount and timing of revenue recognition directly and significantly affects the profit of the Group and service revenue is significant materiality to the financial statements.

I have examined the revenue recognition of the Group by assessing and testing its internal controls with respect to revenue, by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the effectiveness of the designed controls, applying a sampling method to select sales and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy. In addition, on a sampling basis, I examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period as well as credit notes that the Group issued after the period - end, and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Business combination and goodwill

As discussed in Note 9 to the financial statements, during the year 2016 a subsidiary purchased 70 percent of the shares of a non - related company, which is engaged in the out of home media business. As at the date of acquisition, the Group recognised and measured the assets acquired and liabilities assumed at their fair value and recognised goodwill from the business combination of Baht 65 million and Baht 370 million, respectively. The management was required to exercise substantial judgment when appraising the fair value of the assets acquired and liabilities assumed. This transaction is thus considered significant to the financial statements. After reviewing for impairment of goodwill from the business combination, the Group presented the goodwill in the statement of financial position as at 31 December 2016. This assessment of impairment of goodwill also requires management to exercise a high degree of judgment, in order to identify the cash generating units, estimate the cash inflows that are expected to be generated in the future, and set an appropriate discount rate and long - term growth rate.

I reviewed the terms and conditions of the share purchase agreement and inquired with management in order to evaluate whether the acquisition meets the definition of a business combination. In addition, I checked the fair value of the consideration transferred in making the acquisition to supporting documents and related payments, evaluated the fair value of the identifiable assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method prepared by management, by considering the methods and significant assumptions and the rationale for the recording of goodwill. I also reviewed the disclosures related to the business combination in the notes to financial statements.



In addition, I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process. I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results. I also evaluated the discount rate applied by management, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill.

Other Matter

The Consolidated financial statements of Master Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Master Public Company Limited for the year ended 31 December 2015 were audited by another auditor who, under his report dated 24 February 2016, expressed an unqualified opinion on those financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Supachai Phanyawattano.

Supachai Phanyawattano
Certified Public Accountant (Thailand) No. 3930

EY Office Limited
Bangkok: 9 February 2017

Statement of financial position

Master Ad Public Company Limited and its subsidiaries
For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Assets					
Current assets					
Cash and cash equivalents		312,496,492	149,291,467	233,770,009	146,874,522
Current investments	7	171,710,494	14,025,321	160,064,573	-
Trade and other receivables	8	276,171,689	338,410,790	57,365,049	78,741,710
Inventories	6	1,464,751	2,889,212	137,201	919,982
Short-term loans to related parties		30,360,480	13,484,720	105,912,810	93,263,680
Short-term loan to other company		-	163,563	-	-
Prepaid expenses		52,439,306	64,132,058	6,997,494	55,092,077
Dividend receivable		-	-	69,999,930	84,000,000
Other current assets		18,958,723	8,357,284	10,631,295	4,267,943
Total current assets		863,601,935	590,754,415	644,878,361	463,159,914
Non - current assets					
Restricted bank deposits		-	5,951,672	-	1,951,672
Investments in subsidiaries	9	-	-	309,239,180	89,241,380
Investments in associates	10	35,638,062	32,333,437	16,494,814	16,494,814
Investment properties	11	35,316,836	35,316,836	35,316,836	35,316,836
Buildings and equipment	12	175,870,181	156,305,458	31,221,173	21,289,927
Goodwill	9	384,379,240	13,997,552	-	-
Intangible assets	13	52,541,819	694,781	509,383	655,891
Deferred tax assets	21	3,865,214	4,390,137	3,520,259	4,279,446
Other non-current assets		80,081,903	55,195,477	26,220,138	36,281,128
Total non - current assets		767,693,255	304,185,350	422,521,783	205,511,094
Total assets		1,631,295,190	894,939,765	1,067,400,144	668,671,008



Statement of financial position (continued)

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	14	327,147,748	68,132,035	61,756,890	40,198,605
Current portion of long - term loan from financial institution	15	8,695,326	11,208,000	-	-
Current portion of liabilities under finance lease agreements		336,057	110,683	-	-
Income tax payable		17,265,419	17,586,471	-	-
Undue output VAT		13,750,971	9,870,634	4,291,968	4,847,592
Dividend payable		60,000,000	180,509	-	180,509
Other current liabilities		6,859,192	3,005,943	3,021,616	2,359,765
Total current liabilities		434,054,713	110,094,275	69,070,474	47,586,471
Non-current liabilities					
Long-term loan from financial institution, net of current portion	15	-	8,695,326	-	-
Long-term liabilities under finance lease agreements, net of current portion		1,296,147	-	-	-
Long-term loans from shareholders		400,000	400,000	-	-
Provision for long - term employee benefits	16	17,920,487	21,392,200	12,235,547	16,918,036
Deferred tax liabilities	21	10,390,989	-	-	-
Other non - current liabilities		8,660,869	8,994,718	6,121,977	6,493,560
Total non - current assets		38,668,492	39,482,244	18,357,524	23,411,596
Total assets		472,723,205	149,576,519	87,427,998	70,998,067

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

Statement of financial position (continued)

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Shareholders' equity					
Share capital	17				
Registered					
4,095,211,875 ordinary shares					
(2015: 3,761,211,875 ordinary shares)					
of Baht 0.1 each		409,521,188	376,121,188	409,521,188	376,121,188
Issued and fully paid-up					
3,342,969,500 ordinary shares		334,296,950	300,896,950	334,296,950	300,896,950
(2015: 3,008,969,500 ordinary shares)					
of Baht 0.1 each					
Share premium		561,204,833	167,084,833	561,204,833	167,084,833
Retained earnings					
Appropriated - statutory reserve	19	40,952,119	37,612,119	40,952,119	37,612,119
Unappropriated		156,759,807	202,529,385	43,466,586	92,079,039
Other components of shareholders' equity		21,392,647	21,221,512	51,658	-
Equity attributable to owners of the Company		1,114,606,356	729,344,799	979,972,146	597,672,941
Non-controlling interests of the subsidiaries		43,965,629	16,018,447	-	-
Total shareholders' equity		1,158,571,985	745,363,246	979,972,146	597,672,941
Total liabilities and shareholders' equity		1,631,295,190	894,939,765	1,067,400,144	668,671,008

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



Statement of comprehensive income

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Revenues from services and sales		734,631,308	694,396,908	322,920,400	359,620,550
Other income					
Dividend income		-	-	137,499,859	85,124,996
Others		18,225,007	24,798,004	28,203,806	31,547,323
Total revenues		752,856,315	719,194,912	488,624,065	476,292,869
Expenses					
Costs of services and sales		330,047,112	309,047,367	225,633,509	226,515,185
Selling expenses		86,492,684	54,640,010	44,560,490	38,352,420
Administrative expenses		194,985,074	139,013,063	117,673,523	93,355,157
Total expenses		611,524,870	502,700,440	387,867,522	358,222,762
Profit before share of profit from investments in associates, finance cost and income tax expenses					
		141,331,445	216,494,472	100,756,543	118,070,107
Share of profit from investments in associates		3,339,096	2,157,308	-	-
Profit before finance cost and income tax expenses		144,670,541	218,651,780	100,756,543	118,070,107
Finance cost		(3,496,569)	(2,904,488)	(853,689)	(299,424)
Profit before income tax expenses		141,173,972	215,747,292	99,902,854	117,770,683
Income tax expenses	21	(37,420,630)	(44,354,910)	(746,272)	(6,357,926)
Profit for the year		103,753,342	171,392,382	99,156,582	111,412,757

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

Statement of comprehensive income (continued)

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Exchange differences on translation of		119,477	201,363	-	-
financial statements in foreign currency - net of income tax					
Realised fair value adjustment due to disposal of		-	(3,065,057)	-	(3,067,582)
available - for - sale investments, net of tax		51,658	287,350	51,658	287,350
Gain on change in value of available-for-sale investments					
- net of income tax		171,135	(2,576,344)	51,658	(2,780,232)
Other comprehensive income to be reclassified		171,135	(2,576,344)	51,658	(2,780,232)
to profit or loss in subsequent periods - net of income tax					
Other comprehensive income for the year		103,924,477	168,816,038	99,208,240	108,632,525
Total comprehensive income for the year					
Equity holders of the Company		101,999,457	170,654,597	99,156,582	111,412,757
Non-controlling interests of the subsidiaries		1,753,885	737,785		
		103,753,342	171,392,382		
Total comprehensive income attributable to:					
Equity holders of the Company		102,170,592	168,078,253	99,208,240	108,632,525
Non - controlling interests of the subsidiaries		1,753,885	737,785		
		103,924,477	168,816,038		
Earnings per share					
22					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.03	0.06	0.03	0.04

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



Cash flow statement

Master Ad Public Company Limited and its subsidiaries
For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax	141,173,972	215,747,292	99,902,854	117,770,683
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	36,184,405	26,393,536	6,408,479	4,639,866
Allowance for doubtful accounts (reversal)	3,566,839	(2,118,743)	4,790,105	(772,153)
Gain on sales of current investments	-	(3,834,478)	-	(3,834,478)
Loss on sale of investment in an associate	-	959,000	-	959,000
Allowance for impairment loss on investment in a subsidiary	-	-	-	3,382,990
Reversal of allowance for impairment of investment in an associate	-	(2,500,000)	-	(2,500,000)
Gain on sales of equipment	(2,169,636)	(896,279)	(1,277,830)	(595,345)
Loss on sales / written-off assets	494,012	20,771	815,716	20,771
Reversal of liabilities	-	(1,498,222)	-	(1,498,222)
Provision for long - term employee benefits	3,006,335	2,772,701	2,333,002	2,170,419
Dividend income	-	-	(137,499,859)	(85,124,996)
Loss from exchange rate	2,626,785	337,823	1,640,542	337,823
Share of profit from investments in associates	(3,339,096)	(2,157,308)	-	-
Interest income	(5,090,096)	(4,319,177)	(5,050,144)	(5,157,384)
Interest expenses	3,496,569	2,904,488	853,689	299,424
Profit (loss) from operating activities before changes in operating assets and liabilities	179,950,089	231,811,404	(27,083,446)	30,098,398
Operating assets (increase) decrease				
Trade and other receivables	127,441,792	(207,368,343)	65,384,899	(14,409,583)
Inventories	1,567,262	(11,809)	782,781	1,120,713
Other current assets	(7,355,519)	(308,576)	(7,180,442)	(353,934)
Other non - current assets	(23,863,652)	6,813,043	(1,861,791)	(187,507)
Operating liabilities increase (decrease)				
Trade and other payables	11,886,918	(4,956,952)	21,867,413	(2,962,009)

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

Cash flow statement (continued)

Master Ad Public Company Limited and its subsidiaries
For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Undue output VAT	1,843,211	(161,968)	(555,624)	(325,658)
Other current liabilities	2,705,286	(822,244)	661,851	34,050
Employee benefit obligations	(8,193,121)	(675,693)	(7,015,491)	(384,339)
Other non - current liabilities	(642,978)	1,248,182	(680,712)	55,384
Cash flows from operating activities	285,339,288	25,567,044	44,319,438	12,685,515
Interest income	5,516,121	4,235,131	4,146,704	4,813,132
Cash paid for interest expenses	(2,531,056)	(2,539,339)	(853,689)	-
Cash paid for corporate income tax	(40,155,962)	(32,105,923)	-	(9,471,274)
Net cash flows from (used in) operating activities	248,168,391	(4,843,087)	47,612,453	8,027,373

Cash flows from investing activities

Purchase of current investments	(316,953,744)	-	(310,000,000)	-
Proceeds from sales of current investments	159,333,144	174,091,899	150,000,000	173,845,388
Increase in short - term loans to related parties	-	(13,518,016)	-	(93,600,000)
Decrease (increase) in short - term loans to other companies	(19,502,545)	8,963,502	(14,090,591)	-
Decrease in restricted bank deposits	5,951,672	-	1,951,672	-
Net cash paid for purchase of investments in subsidiaries	(171,749,537)	-	(219,997,800)	(1,708,010)
Cash paid for purchase of investment in an associate	-	(1,689,744)	-	-
Cash received from sale of investment in an associate	-	1,541,000	-	1,541,000
Acquisition of equipment	(23,635,572)	-	(4,320,018)	-
Proceeds from sales of equipment	11,453,409	988,525	1,328,786	687,591
Acquisition of intangible assets	-	(51,363,284)	-	(13,200,833)
Dividends income	-	-	151,500,529	51,124,946
Net cash flows from (used in) investing activities	(355,103,173)	119,013,882	(243,627,422)	118,690,082

Cash flows from financing activities

Increase (decrease) in short - term loans from financial institutions	-	(23,000,000)	-	-
	-	14,202,096	-	-

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



Cash flow statement (continued)

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash receipt from long - term loan from financial institution	(11,208,000)	(6,538,000)	-	-
Cash receipt from long - term loan from a shareholder	-	400,000	-	-
Repayment of finance lease liabilities	(397,100)	(127,281)	-	-
Proceeds from increase in share capital	427,520,000	-	427,520,000	-
Cash paid for purchase of investment in a subsidiary from non - controlling interests of a subsidiary	-	(1,000,030)	-	(1,000,030)
Dividends paid	(145,929,040)	(97,365,259)	(144,609,544)	(96,240,204)
Net cash flows from (used in) financing activities	269,985,860	(113,428,474)	282,910,456	(97,240,234)
Translation adjustments	153,947	(99,514)	-	-
Net increase in cash and cash equivalents	163,205,025	642,807	86,895,487	29,477,221
Cash and cash equivalents at beginning of year	149,291,467	148,648,660	146,874,522	117,397,301
Cash and cash equivalents at end of year	312,496,492	149,291,467	233,770,009	146,874,522
	-	-	-	-

Supplemental disclosures of cash flow information

Non - cash transactions

Share subscription - subsidiary	-	400,000	-	-
Payable of acquisition of investment in a subsidiary	219,500,000	-	-	-
Transfer of non-current assets to equipment	12,613,340	-	12,613,340	-
Transfer of equipment to non - current assets	1,005,738	-	-	-

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

I Statement of changes in shareholders' equity

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company					Other component of shareholders' equity				
	Issued and fully paid-up share capital	Share premium	Retained earnings		Surplus from the change of interests in subsidiaries	Other comprehensive income		Surplus on changes in value of available-for-sale investments	Total other component of shareholders' equity	Total equity attributable to owners of the Company
			Appropriated	Unappropriated		Exchange differences on translation of financial statements in foreign currency	Surplus on changes in value of available-for-sale investments			
Balance as at 1 January 2015	300,896,950	167,084,833	30,089,695	135,681,641	21,836,160	-	2,777,707	24,613,867	658,366,986	16,589,685
Profit for the year	-	-	-	170,654,597	-	-	-	-	170,654,597	737,785
Other comprehensive income for the year	-	-	-	-	-	201,363	(2,777,707)	(2,576,344)	(2,576,344)	-
Total comprehensive income for the year	-	-	-	-	-	201,363	(2,777,707)	(2,576,344)	168,078,253	737,785
Purchases of investment in a subsidiary from non-controlling interest of the subsidiary	-	-	-	-	(816,011)	-	-	(816,011)	(816,011)	(1,000,030)
Dividends paid (Note 25)	-	-	-	(96,284,429)	-	-	-	-	(96,284,429)	-
Dividends paid from a subsidiary to non-controlling interest of the subsidiary	-	-	-	-	-	-	-	-	-	(1,125,004)
Retained earnings transferred to statutory reserve	-	-	7,522,424	(7,522,424)	-	-	-	-	-	-
Balance as at 31 December 2015	300,896,950	167,084,833	37,612,119	202,529,385	21,020,149	201,363	-	21,221,512	729,344,799	16,018,447
Balance as at 1 January 2016	300,896,950	167,084,833	37,612,119	202,529,385	21,020,149	201,363	-	21,221,512	729,344,799	16,018,447
Profit for the year	-	-	-	101,999,457	-	-	-	-	101,999,457	1,753,885
Other comprehensive income for the year	-	-	-	-	-	119,477	51,658	171,135	171,135	-
Total comprehensive income for the year	-	-	-	101,999,457	-	119,477	51,658	171,135	102,170,592	1,753,885
Increase share capital (Note 17)	33,400,000	394,120,000	-	-	-	-	-	-	427,520,000	-
Purchases of investment in a subsidiary from non-controlling interests of the subsidiary	-	-	-	(144,429,035)	-	-	-	-	(144,429,035)	-
Dividends paid (Note 25)	-	-	-	-	-	-	-	-	-	27,693,302
Dividends paid from subsidiary to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	-	(1,500,005)
Retained earnings transferred to statutory reserve	334,296,950	561,204,833	40,952,119	156,759,807	21,020,149	320,840	51,658	21,392,647	1,114,606,356	43,965,629
Balance as at 31 December 2016	635,193,900	1,021,289,666	78,564,238	359,289,192	42,040,298	522,203	103,316	42,614,159	2,129,216,156	60,984,271



Statement of changes in shareholders' equity (continued)

Master Ad Public Company Limited and its subsidiaries
For the year ended 31 December 2016

(Unit: Baht)

	Separate financial statements					
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other component of shareholders' equity	Total shareholders' equity
			Appropriated	Unappropriated	Surplus on changes in value of available-for-sale	
Balance as at 1 January 2015	300,896,950	167,084,833	30,089,695	84,473,135	2,780,232	585,324,845
Profit for the year	-	-	-	111,412,757	-	111,412,757
Other comprehensive income for the year	-	-	-	-	(2,780,232)	(2,780,232)
Total comprehensive income for the year	-	-	-	111,412,757	(2,780,232)	108,632,525
Dividends paid (Note 25)	-	-	-	(96,284,429)	-	(96,284,429)
Retained earnings transferred to statutory reserve	-	-	7,522,424	(7,522,424)	-	-
Balance as at 31 December 2015	300,896,950	167,084,833	37,612,119	92,079,039	-	597,672,941
Balance as at 1 January 2016	300,896,950	167,084,833	37,612,119	92,079,039	-	597,672,941
Profit for the year	-	-	-	99,156,582	-	99,156,582
Other comprehensive income for the year	-	-	-	-	51,658	51,658
Total comprehensive income for the year	-	-	-	99,156,582	51,658	99,208,240
Increase share capital (Note 17)	33,400,000	394,120,000	-	-	-	427,520,000
Dividends paid (Note 25)	-	-	-	(144,429,035)	-	(144,429,035)
Retained earnings transferred to statutory reserve	-	-	3,340,000	(3,340,000)	-	-
Balance as at 31 December 2016	334,296,950	561,204,833	40,952,119	43,466,586	51,658	979,972,146

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

I Notes to consolidated financial statements

Master Ad Public Company Limited and its subsidiaries

For the year ended 31 December 2016

1. General information

Master Ad Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Group is principally engaged in the business of advertising. The registered office of the Company is at 1, 4th - 6th Floor, Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak, Bangkok, 10900.

During the year 2016, VGI Global Media Public Company Limited (“VGI”) acquired the additional 375,000,000 ordinary shares of the Company at a price of Baht 1.10 each (12.47% of total paid-up shares of the Company). As a result, the shareholding of VGI increased from 24.95% to 37.42% of all issued shares of the Company, and it therefore became the Company’s parent company.

Subsequent to the above share acquisition, in accordance with the Notification of the Capital Market Supervisory Board issued by The Securities and Exchange Commission, VGI made a tender offer for the securities of the Company. The tender offer was for 1,449,430,861 ordinary shares at a price of Baht 1.10 each (48.17% of total paid-up shares of the Company), with a tender offer period commencing as from 3 June 2016 to 8 July 2016. At the end of the tender offer period, no additional shares had been acquired and so VGI’s shareholding in the Company remained unchanged. In addition, in October 2016, VGI gradually invested in more 6,522,500 ordinary shares of the Company through the Stock Exchange of Thailand.

However, after Ashmore purchased the additionally issued shares of the Company, as described in note 17 to the financial statements, VGI decreased its shareholding from 37.42% to 33.88% of all issued shares of the Company.

2. Basis of preparation of interim financial statements

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

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

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



2.1 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Master Ad Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of	Percentage of shareholding	
			2016 (Percent)	2015 (Percent)
Subsidiaries directly owned by the Company				
Master and More Company Limited	Production and providing outdoor advertising media service	Thailand	100	100
Eye On Ads Company Limited (formerly known as “Maco Rite Sign Company Limited”)	Production and sale of tri-vision equipment	Thailand	100	100
Green Ad Company Limited	Providing advertising service through the supply of tree wall panel	Thailand	100	100
Inkjet Images (Thailand) Company Limited	Production of advertising media and billboards	Thailand	50	50
Maco Outdoor Company Limited	Holding company	Malaysia	100	100
Subsidiaries indirectly owned by the Company				
Held by Master and More Company Limited				
Open play Company Limited	Providing outdoor advertising media service	Thailand	80	80
Held by Green Ad Company Limited				
Multi Sign Company Limited	Outdoor advertising production and media services	Thailand	70	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.

- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.2 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

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

During the year, the Company and subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards did not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiaries believe that the revised and new financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which is summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in the separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.



4. Significant accounting policies

4.1 Revenue recognition

Rendering of services and sales

Service income consists of advertising income and other service income. Service income is recognised when services have been rendered taking into account the stage of completion. Service rate charged is in accordance with service area, service rate charged per area and service period as stipulated in the contract.

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

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.

4.2 Cash and cash equivalents

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

4.3 Accounts receivable

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

4.4 Investments

- a) Investments in available - for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Investments in non - marketable equity securities, which the Company and its subsidiaries classify as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- e) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

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

In the event the Company and its subsidiaries reclassify 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 the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of 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.

4.5 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any).

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Buildings and equipment / Depreciation

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

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

Buildings and building improvement	- 20 years
Media	- 5, 9 years and remaining period of concession
Equipment	- 5 years
Fixtures and office equipment	- 3 - 5 years
Motor vehicles	- 5 years

Depreciation is included in profit or loss.

No depreciation is provided on assets under installation.

An item of buildings 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.

4.7 Intangible assets

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

Intangible assets acquired through business combination	- 6 years 3 months and remaining period of concession
Computer software	- 3 - 5 years

4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Related party transactions

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

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

4.10 Long-term leases

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

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

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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 profit or loss.

4.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment review in respect of goodwill. 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.

4.13 Employee benefits

Short - term employee benefits

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

Post-employment benefit and other long - term employee benefits

Defined contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the 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 benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

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



4.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1	Use of quoted market prices in an observable active market for such assets or liabilities
Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Level 3	Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

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

- **Consolidation of subsidiaries that the Company holds half of shares**

The management of the Company determined that the Company has control over Inkjet Images (Thailand) Company Limited, even though the Company holds 50% of shares and voting rights. This is because the Company is a major shareholder and has the ability to direct the significant activities. As a result, Inkjet Images (Thailand) Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

- **Leases**

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

- **Allowance for doubtful accounts**

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

- **Impairment of investments**

The Company and its subsidiaries treats investments as impaired when there has been a significant or prolonged decline in the fair value below their costs or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

- **Buildings and equipment / Depreciation**

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



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

- **Goodwill and intangible assets**

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows.

- **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

- **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.

6. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2016	2015	2016	2015	
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Rental income from billboards	-	-	5,505	4,712	Contract rate
Commission income	-	-	12,212	4,627	Contract rate
Consulting and accounting service income	-	-	788	630	Contract rate
Rental income from buildings	-	-	1,075	2,240	Contract rate
Other income	-	-	3,123	1,712	Contract rate
Dividend income	-	-	67,500	1,125	Announced rate
Costs of services	-	-	42,171	17,250	Contract rate
Commission expenses	-	-	102	83	Contract rate
Service expenses	-	-	195	22	Contract rate
Transactions with the intermediate parent company					
Costs of services	11,064	7,817	-	-	Contract rate
Advertising and promotion	80	-	-	-	Contract rate
Transactions with parent company					
Rental income from billboards	91,321	151,124	-	-	Contract rate
Costs of services	1,560	-	560	-	Contract rate
Commission expenses	3,880	2,554	-	-	Contract rate
Transactions with associates					
Interest income	1,441	-	-	-	Contract rate
Rental expenses	12,223	9,747	8,172	9,747	Contract rate
Transactions with related companies					
Revenue from advertising production	16,355	7,914	-	-	Contract rate
Costs of services	141	-	-	-	Contract rate



The balances of the accounts as at 31 December 2016 and 2015 between the Company, its subsidiaries and those related parties were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade and other receivables - related parties (Note 8)				
<u>Trade and other receivable</u>				
Parent company	-	5,620	-	-
Subsidiaries	-	-	2,789	1,737
Associates	648	-	-	-
Related companies (related by shareholders of a subsidiary)	6,298	3,301	-	-
Total trade and other receivables	6,946	8,921	2,789	1,737
<u>Accrued income</u>				
Parent company *	87,918	188,176	-	-
Related company (related by a shareholder of a subsidiary)	-	2,621	-	-
Total accrued income	87,918	190,797	-	-
Total trade and other receivables - related parties	94,864	199,718	2,789	1,737
Short-term loans to related parties				
Subsidiaries	-	-	105,913	93,264
Associate	30,360	13,485	-	-
Total short - term loans to related parties	30,360	13,485	105,913	93,264
Dividend receivable				
Subsidiary	-	-	70,000	84,000
Deposit - related company				
Subsidiary	-	-	9,000	9,000
Trade and other payables - related parties (Note 14)				
Intermediate parent company	344	901	-	-
Parent company	3,069	3,777	-	1,000
Subsidiaries	-	-	5,805	4,303
Associate	66	437	52	56
Related company (related by common shareholder)	20	-	-	-
Related companies (related by shareholders of subsidiaries)	28	21	-	-
Total trade and other payables - related parties	3,527	5,136	5,857	5,359

* The balance includes accrued income to be received from the parent company of Baht 74 million (2015: Baht 188 million) that is payable under the Outdoor Advertising Exclusive Sale Agency Agreement that the parent company made with a subsidiary. The agreement will expire on 31 December 2017.

Short-term loans to related parties

As at 31 December 2016 and 2015, the balances of short-term loans between the Company and those related parties and the movements were as follows.

(Unit: Thousand Baht)

Short-term loan	Consolidated financial statements			
	Balance as at 31 December 2015	Increase during the year	Decrease during the year	Balance as at 31 December 2016
Associate				
Eyeballs Channel SDN. BHD.	13,485	16,875	-	30,360

(Unit: Thousand Baht)

Short-term loan	Separate financial statements			
	Balance as at 31 December 2015	Increase during the year	Decrease during the year	Balance as at 31 December 2016
Subsidiaries				
Master and More Co., Ltd.	80,000	203,000	(273,000)	10,000
Eye On Ads Co., Ltd.	-	31,000	-	31,000
Green Ad Co., Ltd.	-	33,400	(2,400)	31,000
Maco Outdoor Co., Ltd.	13,264	20,649	-	33,913
Total	93,264	288,049	(275,400)	105,913

Directors and management's benefits

During the years ended 31 December 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	47,914	38,895	19,333	19,957
Post - employment benefits	27,775	833	23,240	745
Other long - term benefits	93	93	76	77
Total	75,782	39,821	42,649	20,779



Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 26.2 to the financial statements.

7. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Fixed deposits with maturity date more than three months	131,646	14,025	120,000	-
Investments in available - for - sale securities - debt securities	40,064	-	40,064	-
Total	171,710	14,025	160,064	-

The fair value of the investments in available-for-sale securities are fair value at level 2.

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	6,469	7,172	278	409
Past due				
Up to 3 months	98	1,749	-	-
3 - 6 months	-	-	-	-
Total trade receivables - related parties	6,567	8,921	278	409
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	127,068	84,083	43,415	47,887
Past due				
Up to 3 months	46,663	29,126	8,077	11,248
3 - 6 months	187	4,254	112	1,797
6 - 12 months	475	2,330	111	563
Over 12 months	13,640	11,402	6,363	6,824
Total	188,033	131,195	58,078	68,319

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Less: Allowance for doubtful accounts	(13,674)	(10,456)	(6,317)	(6,773)
Total trade receivables - unrelated parties - net	174,359	120,739	51,761	61,546
Total trade receivables - net	180,926	129,660	52,039	61,955

Other receivables

Other receivables - related parties	-	-	1,263	1,328
Other receivables - unrelated parties	13,249	11,890	11,390	10,217
Accrued income - related parties	87,918	190,797	-	-
Accrued income - unrelated parties	2,940	9,146	1,934	8,724
Share subscription receivables	400	400	-	-
Total	104,507	212,233	14,587	20,269
Less: Allowance for doubtful accounts	(9,261)	(3,482)	(9,261)	(3,482)
Total other receivables	95,246	208,751	5,326	16,787
Total trade and other receivables - net	276,172	338,411	57,365	78,742

9. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net		Dividend received during the year	
	2016	2015	2016	2015	2016	2015	2016	2015
Master and More Co., Ltd.	74,549	74,549			74,549	74,549	136,000	84,000
Eye On Ads Co., Ltd.* (formerly known as "Maco Rite Sign Co.,Ltd.")	5,000	5,000	-	-	5,000	5,000	-	-
Green Ad Co., Ltd.	223,381	3,383	(3,383)	(3,383)	219,998	-	-	-
Inkjet Images (Thailand) Co., Ltd.	7,984	7,984			7,984	7,984	1,500	1,125
Maco Outdoor Co.,Ltd.	1,708	1,708	-	-	1,708	1,708	-	-
Total investments in subsidiaries	312,622	92,624	(3,383)	(3,383)	309,239	89,241	137,500	137,500

* Eye On Ads Company Limited registered a change of its name from Maco Rite Sign Company Limited to Eye On Ads Company Limited on 28 October 2016.



Master and More Company Limited (“Master and More”)

On 30 June 2016, the meeting of the Board of Directors of Master and More passed a resolution to approve the payment of an interim dividend of Baht 22 per share, or a total of Baht 44 million.

On 28 September 2016, the meeting of the Board of Directors of Master and More passed a resolution to approve the payment of an interim dividend of Baht 11 per share, or a total of Baht 22 million.

On 26 December 2016, the meeting of the Board of Directors of Master and More passed a resolution to approve the payment of an interim dividend of Baht 35 per share, or a total of Baht 70 million.

Green Ad Company Limited (“Green Ad”)

On 3 August 2016, a meeting of the Board of Directors of the Company passed a resolution to approve Green Ad’s acquisition of 98,000 ordinary shares with a par value of Baht 100 each of Multi Sign Company Limited (“MTS”) from its existing shareholders (“the Sellers”) at a cost of not more than Baht 439 million. This represents 70 percent of all ordinary shares of MTS, which operates services for out of home media business, and the price is that agreed between Green Ad and the Sellers under the terms and conditions stipulated in a share purchase agreement dated 3 August 2016, whereby the acquisition price is divided into 2 parts as follows:

- 1) A preliminary purchase price of Baht 373.15 million to be paid under the terms and conditions stipulated in the share purchase agreement.
- 2) An additional purchase price of no more than Baht 65.85 million, which may be reduced depending on the operating results and other conditions stipulated in the share purchase agreement.

Subsequently, on 1 October 2016, Green Ad acquired 98,000 shares of MTS with a par value of Baht 100 each and received all of these shares, and on 3 October 2016 paid Baht 219.50 million to the sellers. The remaining balance of the purchase price will be paid in accordance with the conditions stipulated in the share purchase and sale agreement and this balance is presented, net of deferred interest expenses, as other payables for purchase of investment in a subsidiary, under the caption of “Trade and other payables” in the statement of financial position.

The values of the identifiable assets acquired and the liabilities assumed of MTS at the acquisition date were summarised below.

(Unit: Thousand Baht)

	Fair value	Carrying value
Cash and cash equivalents	47,750	47,750
Trade and other receivables	31,545	31,545
Other current assets	27,342	27,342
Plant and equipment	22,634	22,634
Intangible assets	59,370	49
Other non-current assets	10,760	10,760
Trade and other payables	(86,955)	(86,955)
Other current liabilities	(4,970)	(4,970)
Deferred tax liabilities	(11,864)	-
Other non-current liabilities	(3,302)	(3,302)
Net assets of the subsidiary	92,310	44,853
Less: Non - controlling interests' proportionate share of identifiable net assets of the acquiree	(27,693)	
Green Ad's proportionate share of identifiable net assets of the acquiree	64,617	
Costs of the acquisition of investment in a subsidiary *	434,999	
Less: Green Ad's proportionate share of identifiable net assets of the acquiree	(64,617)	
Goodwill	370,382	
* Cash paid for purchase of investment in a subsidiary Liabilities from purchase of investment in a subsidiary under	219,500	
Liabilities from purchase of investment in a subsidiary under the share purchase and sale agreement	219,500	
Purchase price of investment in a subsidiary	439,000	
Less: Deferred interest expenses	(4,001)	
Costs of the acquisition of investment in a subsidiary	434,999	
Cash paid for purchase of investment in a subsidiary	219,500	
Less: Cash and cash equivalents of the subsidiary	(47,750)	
Net cash paid for purchase of investment in a subsidiary	171,750	

During the current year, the Company and its subsidiaries completed the process of measuring the fair value at the acquisition date of the identifiable assets acquired, the liabilities assumed and goodwill. The Company and its subsidiaries, therefore, recorded goodwill amounting to approximately Baht 370 million in their accounts.



Revenues and profit of MTS as from 1 October 2016, amounting to Baht 41 million and Baht 3 million, respectively, were included in the consolidated statements of comprehensive income for the year ended 31 December 2016.

In addition, on 28 September 2016, the Extraordinary General Meeting of Green Ad's shareholders passed a resolution to approve the increase of its registered share capital from Baht 5 million (1 million ordinary shares with a par value of Baht 5 each) to Baht 500 million (100 million ordinary shares with a par value of Baht 5 each), by issuing 99 million ordinary shares with a par value of Baht 5 each and calling up Baht 2.2222 each. The Company acquired additional ordinary shares of Green Ad in proportion to its existing holding, and as a result its shareholding in the subsidiary is unchanged at 100%. The capital amounting to approximately Baht 220 million was paid on 28 September 2016 and Green Ad registered the increase of its capital with the Ministry of Commerce on 30 September 2016. As at 31 December 2016, there was an uncalled portion amounting to approximately Baht 275 million.

9.2 Details of investments in subsidiaries that have material non - controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non - controlling interests		Accumulated balance of non - controlling interests		Profit/loss allocated to non - controlling interests during the year		Dividend paid to non - controlling interests during the year	
	2016	2015	2016	2015	2016	2015	2016	2015
	(Percent)	(Percent)						
Inkjet Images (Thailand) Co.,Ltd.	50	50	14.3	15.5	0.3	1.2	1.5	1.1
Multi Sign Co.,Ltd.	30	-	28.5	-	0.8	-	-	-

9.3 Summarised financial information that based on amounts before inter - company elimination about subsidiaries that have material non - controlling

Summarised information about financial position

(Unit: Million Baht)

	Inkjet Images (Thailand) Co.,Ltd.		Multi Sign Co.,Ltd.	
	2016	2015	2016	2015
Current assets	27.4	30.2	130.9	-
Non - current assets	6.7	7.0	90.8	-
Current liabilities	3.3	4.1	113.4	-
Non - current liabilities	2.3	2.2	13.4	-

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December			
	Inkjet Images (Thailand) Co.,Ltd.		Multi Sign Co.,Ltd.	
	2016	2015	2016	2015
Revenue	28.5	31.6	40.9	-
Profit	0.6	2.5	2.6	-
Total comprehensive income	0.6	2.5	2.6	-

Summarised information about cash flow

(Unit: Million Baht)

	For the year ended 31 December			
	Inkjet Images (Thailand) Co.,Ltd.		Multi Sign Co.,Ltd.	
	2016	2015	2016	2015
Cash flow from operating activities	3.6	4.7	(20.5)	-
Cash flow from investing activities	1.3	(2.3)	(1.2)	-
Cash flow from financing activities	(3.1)	(2.2)	27.7	-
Net increase in cash and cash equivalents	1.8	0.2	6.0	-

10. Investments in associates

10.1 Details of associates

(Unit: Million Baht)

Company's name	Consolidated financial statements					
	Percentage of share holding		Cost		Carrying amounts based on equity method	
	2016	2015	2016	2015	2016	2015
	(Percent)	(Percent)				
Landy Development Co., Ltd.	48.87	48.87	16,495	16,495	35,385	30,855
Eyeballs Channel SDN. BHD.	40	40	1,686	1,686	253	1,478
Total			18,181	18,181	35,638	32,333



(Unit: Million Baht)

Company's name	Seperate financial statements					
	Percentage of share holding		Cost		Carrying amounts based on equity method	
	2016 (Percent)	2015 (Percent)	2016	2015	2016	2015
Landy Development Co., Ltd.	48.87	48.87	16,495	16,495	16,495	16,495

10.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit/loss from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associates	Consolidated financial statements		Seperate financial statements	
	Share of profit/loss from investments in associates during the year		Dividend received during the year	
	2016	2015	2016	2015
Landy Development Co., Ltd.	4,530	2,365	-	-
Eyeballs Channel SDN. BHD.	(1,191)	(208)	-	-
Total	3,339	2,157	-	-

11. Investment properties

Investment properties consisted of land not being used in operations and held for currently undetermined future usage. Investment property is stated at cost.

The fair value of the investment properties as at 31 December 2016 and 2015 stated below:

(Unit: Thousand Baht)

	Consolidated / Seperate financial statements	
	2016	2015
The fair value	64,920	64,920

The fair value of the land has been determined based on market prices in accordance with the appraisal value announced by the independent valuer. The fair value of the investment properties are fair value at level 3.

The Company had mortgaged its investment properties as collateral for bank overdrafts, short-term loans and bank guarantee credit facilities from banks. During the year 2016, the Company redeemed the collateral from the bank.

12. Plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Buildings and building improvement	Media	Equipment	Fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2015	7,243	316,302	25,510	46,684	8,361	13,907	418,007
Additions	6,555	7,713	1,695	4,220	608	22,371	43,162
Disposals	-	(2,873)	(5)	(2,719)	(1,011)	(51)	(6,659)
Transfers	-	23,284	-	439	-	(23,723)	-
31 December 2015	13,798	344,426	27,200	48,624	7,958	12,504	454,510
Additions	-	5,132	1,285	2,390	-	5,237	14,044
Acquisition of a subsidiary during the year	12,930	105,460	551	2,318	12,852	-	134,111
Disposals / write - off	(12,930)	(15,586)	(930)	(4,547)	(1,853)	-	(35,846)
Transfers	-	13,865	(933)	3,822	-	(5,147)	11,607
31 December 2016	13,798	453,297	27,173	52,607	18,957	12,594	578,426
Accumulated depreciation:							
1 January 2015	3,767	204,150	22,981	43,349	4,268	-	278,515
Depreciation for the year	482	21,779	928	1,647	1,241	-	26,077
Depreciation on disposals	-	2,673	(5)	(2,698)	(1,011)	-	(6,387)
31 December 2015	4,249	223,256	23,904	42,298	4,498	-	298,205
Depreciation for the year	851	22,160	1,108	2,780	1,558	-	28,457
Acquisition of a subsidiary during the year	3,542	88,124	383	1,895	8,145	-	102,089
Depreciation on disposals	(3,705)	(15,337)	(930)	(4,377)	(1,846)	-	(26,195)
Transfers	-	(1,875)	(933)	2,808	-	-	-
31 December 2016	4,937	316,328	23,532	45,404	12,355	-	402,556
Net book value:							
31 December 2015	9,549	121,170	3,296	6,326	3,460	12,504	156,305
31 December 2016	8,861	136,969	3,641	7,203	6,602	12,594	175,870
Depreciation for the year							
2015 (Baht 22.3 million included in costs of services, and the balance in administrative expenses)							26,077
2016 (Baht 22.5 million included in costs of services, and the balance in administrative expenses)							28,457



(Unit: Thousand Baht)

	Separate financial statements						
	Buildings and building improvement	Media	Equipment	Fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2015	-	104,115	2,784	35,057	4,768	51	146,775
Additions	6,175	7,712	15	3,105	-	344	17,351
Disposals	-	(2,872)	(4)	(2,689)	(467)	(51)	(6,083)
Transfers	-	-	-	344	-	(344)	-
31 December 2015	6,175	108,955	2,795	35,817	4,301	-	158,043
Additions	-	798	13	1,529	-	1,727	4,067
Disposals / write - off	-	(15,586)	(930)	(3,914)	(38)	-	(20,468)
Transfers	-	10,068	(934)	3,626	-	(147)	12,613
31 December 2016	6,175	104,235	944	37,058	4,263	1,580	154,255
Accumulated depreciation:							
1 January 2015	-	101,124	2,745	32,528	1,827	-	138,224
Depreciation for the year	107	2,171	18	1,283	762	-	4,341
Depreciation on disposals	-	(2,672)	(4)	(2,669)	(467)	-	(5,812)
31 December 2015	107	100,623	2,759	31,142	2,122	-	136,753
Depreciation for the year	308	2,865	18	2,178	639	-	6,008
Depreciation on disposals	-	(14,889)	(930)	(3,746)	(37)	-	(19,602)
Transfers	-	(1,962)	(934)	2,771	-	-	(125)
31 December 2016	415	86,637	913	32,345	2,724	-	123,034
Net book value:							
31 December 2015	6,068	8,332	36	4,675	2,179	-	21,290
31 December 2016	5,760	17,598	31	4,713	1,539	1,580	31,221
Depreciation for the year							
2015 (Baht 22.3 million included in costs of services, and the balance in administrative expenses)							4,342
2016 (Baht 22.5 million included in costs of services, and the balance in administrative expenses)							6,009

13. Intangible assets

The net book value of intangible assets as at 31 December 2016 and 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Intangible assets acquired through business combination	Computer software	Total	Computer software	Total
As at 31 December 2016					
Cost	59,321	10,817	70,138	9,806	9,806
<u>Less Accumulated amortisation</u>	<u>(7,366)</u>	<u>(10,230)</u>	<u>(17,596)</u>	<u>(9,297)</u>	<u>(9,297)</u>
Net book value	<u>51,955</u>	<u>587</u>	<u>52,542</u>	<u>509</u>	<u>509</u>
As at 31 December 2015					
Cost	-	10,491	10,491	9,553	9,553
<u>Less Accumulated amortisation</u>	<u>-</u>	<u>(9,796)</u>	<u>(9,796)</u>	<u>(8,897)</u>	<u>(8,897)</u>
Net book value	<u>-</u>	<u>695</u>	<u>695</u>	<u>656</u>	<u>656</u>

A reconciliation of the net book value of intangible assets for the years 2016 and 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Net book value at beginning of year	695	151	656	151
Acquisition of a subsidiary during the year	59,370	-	-	-
Acquisition of computer software	253	860	253	803
Amortisation	<u>(7,776)</u>	<u>(316)</u>	<u>(400)</u>	<u>(298)</u>
Net book value at end of year	<u>52,542</u>	<u>695</u>	<u>509</u>	<u>656</u>



14. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables - related parties	3,350	2,704	5,784	5,170
Trade payables - unrelated parties	29,070	25,243	7,686	13,314
Other payables for purchase of investment - a subsidiary (Note 9)	216,434	-	-	-
Other payables - related parties	177	2,432	73	189
Other payables - unrelated parties	99	53	-	41
Accrued expenses	76,013	35,149	47,156	18,984
Unearned revenue	2,005	2,551	1,057	2,501
Total trade and other payables	327,148	68,132	61,756	40,199

15. Long-term loan from financial institution

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Long term loans	8,695	19,903
Less: Current portion	(8,695)	(11,208)
Long term loans - net of current portion	-	8,695

The loan of a subsidiary is guaranteed by another subsidiary. The loan agreement contains several covenants which, among other things, require the subsidiary to maintain its major shareholder structure and management structure.

As at 31 December 2016, the subsidiary had long - term loan facility under the loan agreement which has not yet been drawn down amounting to Baht 28 million (2015: Baht 28 million).

16. Provision for long-term employee benefits

Provision for long - term employee benefits was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Post-employment benefits from employee's retirement		Other long - term employee benefits plan		Total	
	2016	2015	2016	2015	2016	2015
Provision for long-term employee benefits at beginning of year	14,937	13,140	6,455	6,155	21,392	19,295
Included in profit and loss:						
Current service cost	1,333	1,246	778	754	2,111	2,000
Interest cost	642	551	253	222	895	773
Acquisition of a subsidiary during the year	1,715	-	-	-	1,715	-
Benefits paid during the year	(7,863)	-	(330)	(676)	(8,193)	(676)
Provision for long - term employee benefits at end of year	10,764	14,937	7,156	6,455	17,920	21,392

(Unit: Thousand Baht)

	Separate financial statements					
	Post-employment benefits from employee's retirement		Other long - term employee benefits plan		Total	
	2016	2015	2016	2015	2016	2015
Provision for long - term employee benefits at beginning of year	12,637	11,141	4,281	3,991	16,918	15,132
Included in profit and loss:						
Current service cost	1,086	1,017	539	515	1,625	1,532
Interest cost	543	479	165	159	708	638
Benefits paid during the year	(7,015)	-	-	(384)	(7,015)	(384)
Provision for long - term employee benefits at end of year	7,251	12,637	4,985	4,281	12,236	16,918



Line items in profit or loss under which long - term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Post - employment benefits from employee's retirement		Other long - term employee benefits plan		Total	
	2016	2015	2016	2015	2016	2015
Selling and administrative expenses	1,975	1,797	1,031	976	3,006	2,773

(Unit: Thousand Baht)

	Separate financial statements					
	Post - employment benefits from employee's retirement		Other long - term employee benefits plan		Total	
	2016	2015	2016	2015	2016	2015
Selling and administrative expenses	1,629	1,496	704	674	2,333	2,170

The Company and its subsidiaries expect to pay Baht 0.5 million of long - term employee benefits during the next year (Separate financial statements: Baht 0.3 million) (2015: Baht 1.7 million, separate financial statements: Baht 1.3 million).

As at 31 December 2016, the weighted average duration of the liabilities for long - term employee benefit was 16 years (Separate financial statements: 16 years) (2015: 16 years, separate financial statements: 16 years).

Key actuarial assumptions used for the valuation are as follows:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	4.3	4.3	4.3	4.3
Salary increase rate	3.0	3.0	3.0	3.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long - term employee benefit obligation under post-employment benefits from employee's retirement as at 31 December 2016 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.7)	2.0	(1.3)	1.4
Salary increase rate	2.0	(1.7)	1.5	(1.4)

17. Share capital

On 21 September 2016, the Extraordinary General Meeting of the Company's shareholders passed a resolution to approve the increase of the registered share capital from Baht 376.12 million (3,761,211,875 ordinary shares with a par value of Baht 0.10 each) to Baht 409.52 million (4,095,211,875 ordinary shares with a par value of Baht 0.10 each) by issuing 334 million ordinary shares with a par value of Baht 0.10 each, to be offered to Ashmore Special Opportunities Fund Limited Partnership ("ASOF") and Asset Holder PCC Limited for Ashmore Emerging Markets Liquid Investment Portfolio ("ASHEMLI") (together referred to as "Ashmore"). Subsequently, following the restructuring of Ashmore Group, the Company sold the shares to Ashmore OOH Media Limited by way of private placement at Baht 1.28 per share, or for a total of Baht 427.52 million. The offer price represented a 10 percent discount on the weighted average market price of the Company's shares in trading on the Stock Exchange of Thailand over the 15 consecutive business days preceding the date that the Board of Directors passed a resolution to propose that the Extraordinary General Meeting of the Company's shareholders approved the sale of the Company's additional ordinary shares. This corresponded to the period as from 11 July 2016 to 2 August 2016 and the relevant price was Baht 1.42 per share. This represented a discount of not more than 10 percent of the weighted average market price, in accordance with Stock Exchange of Thailand regulations.

In addition, the above offer price was not less than 90 percent of the weighted average market price at which the Company's shares traded on the Stock Exchange of Thailand over the 15 business days preceding the first offer of shares, corresponding to the period as from 3 October 2016 to 21 October 2016, which was Baht 1.08 per share. This met Stock Exchange of Thailand regulations and so there was no requirement for Ashmore to observe a silent period of 1 year from the first date that the shares were offered.

The objective of this transaction is to fund Green Ad's purchase of shares of MTS.

The Company registered the increase in its share capital with the Ministry of Commerce on 30 September 2016 and the capital was paid up on 25 October 2016.



18. Warrants

As at 31 December 2016, there were 752,242,375 units of outstanding unexercised warrants.

19. Statutory reserve

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

20. Expenses by nature

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Salaries and wages and other employee benefits	143,161	109,608	89,172	67,675
Depreciation and amortisation	28,138	26,393	6,408	4,639
Rental and services expenses	82,384	68,964	46,822	38,446
Signboard and premise taxes	137,598	136,032	135,415	136,032
Costs of other services	74,781	78,233	35,292	52,600
Commission and sales promotion expenses	71,368	37,104	30,423	22,877
Utilities expenses	22,145	12,421	14,322	10,484

21. Income tax

Income tax expenses for the years are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Current income tax:				
Current income tax charge	38,382	43,413	-	7,111
Deferred tax:				
Relating to origination and reversal of temporary differences	(961)	942	746	(753)
Income tax expenses reported in the statement of comprehensive income:	37,421	44,355	746	6,358

The amounts of income tax relating to each component of other comprehensive income for the years are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax on gain from the change in value of available - for - sale investments	13	-	13	-

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounting profit before tax	141,174	215,747	99,903	117,771
Applicable tax rate (percent)	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	28,235	43,149	19,980	23,554
Adjustment in respect of income tax of previous year	-	1,086	-	-
Effects of::				
Exemption of income	(40)	(646)	(27,836)	(17,272)
Share of profit from investments in associates	668	(431)	-	-
Non-deductible expenses	2,539	401	1,523	175
Additional expense deductions allowed	-	(120)	-	(99)
Tax losses for the year which deferred tax assets have not been recognised	7,913	916	(7,079)	-
Others	(1,894)	-	-	-
Total	9,186	120	(19,234)	(17,196)
Income tax expenses reported in the statement of comprehensive income	37,421	44,355	746	6,358



The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Deferred tax assets				
Allowance for asset impairment	-	-	677	677
Accumulated depreciation - buildings and equipment	-	(643)	-	(643)
Provision for long-term employee benefits	3,523	4,225	2,447	3,383
Provision for decommissioning of advertising media	409	862	409	862
Unrealized gains from revaluation of investments.	(13)	-	(13)	-
Others	(54)	(54)	-	-
Total	<u>3,865</u>	<u>4,390</u>	<u>3,520</u>	<u>4,279</u>
Deferred tax liabilities				
Intangible assets acquired through business combination	<u>10,391</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>10,391</u>	<u>-</u>	<u>-</u>	<u>-</u>

As at 31 December 2016, the subsidiaries had deductible temporary differences and unused tax losses totaling Baht 2.9 million (2015: Baht 1.6 million), on which deferred tax assets have not been recognised as the subsidiaries believed future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

22. Earnings per share

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

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

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the year attributable to equity holders of the Company (thousand Baht)	101,999	170,655	99,157	111,413
Weighted average number of ordinary shares (thousand shares)	3,070,111	3,008,969	3,070,111	3,008,969
Earnings per share (Baht)	0.03	0.06	0.03	0.04

The exercise price of the warrants (MACO - W1) was higher than the average market price of the Company's ordinary shares for the years ended 31 December 2016 and 2015. Therefore, the Company did not assumed conversion of the warrants in the calculation of its diluted earnings per share in the financial statements.

23. Segment information

The Company and its subsidiaries are principally engaged in the business of advertising. Their operations are carried out only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

24. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and employees contribute to the fund monthly at the rate of five percent of basic salary. The fund, which is managed by SCB Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year ended 31 December 2016 amounting to Baht 1,770,405 (2015: Baht 1,318,233) were recognised as expenses.



25. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends for 2014	Annual General Meeting of the shareholders on 22 April 2015	42.13	0.014
Interim dividends for 2015	Board of Directors' meeting of the Company on 3 August 2015	54.16	0.018
Total for 2015		96.29	0.032
Final dividends for 2015	Annual General Meeting of the shareholders on 22 April 2016	90.27	0.030
Interim dividends for 2016	Board of Directors' meeting of the Company on 3 August 2016	54.16	0.018
Total for 2016		144.43	0.048

26. Commitments and contingent liabilities

26.1 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of space for advertising, office building space, motor vehicles and equipment, and related service agreements. The terms of the agreements are generally between 1 and 9 years.

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Payable:				
In up to 1 year	99,423	144,622	82,591	98,253
In over 1 and up to 5 years	103,688	203,003	31,057	43,884
In over 5 years	20,164	71,588	-	-

Under the conditions of the lease agreements for advertising space, the Company and its subsidiaries are committed to pay rental on a monthly basis. One-month deposits were made and will be refunded when the agreements are terminated with the consent of the lessor. The agreements are renewable for every 3 years with rental adjustment made based on current market conditions.

26.2 Guarantees

- (1) As at 31 December 2016, the Company has guaranteed bank credit facilities of its associated company amounting to Baht 19 million (31 December 2015: Baht 89 million).
- (2) As at 31 December 2016, there were outstanding bank guarantees of approximately Baht 218 million (31 December 2015: Baht 233 million) (the Company only: Baht 168 million (31 December 2015: Baht 183 million)) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business to guarantee electricity use, among others.

27. Financial instruments

27.1 Financial risk management

Financial instruments of the Company and its subsidiaries, as defined under Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade and other receivables, loans, investments, and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

- **Credit risk**

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

- **Interest rate risk**

The Company’s and its subsidiaries’ exposure to interest rate risk relates primarily to their cash at banks, loans and investments. Most of the Company’s and its subsidiaries’ financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

27.2 Fair values of financial instruments

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

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable and short-term loans to subsidiaries, accounts payable and short-term loans from financial institutions, their carrying amounts in the statement of financial position approximate their fair value.



- b) For debts securities, their fair value is generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- c) For equity securities, their fair value is generally derived from quoted market prices.
- d) For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

During the current year, there were no transfers within the fair value hierarchy.

28. Capital management

The primary objective of the Company's and its subsidiaries' capital management is to ensure that they have appropriate capital structure in order to support their business and maximise shareholder value. As at 31 December 2016, the Group's debt - to - equity ratio was 0.41:1 (2015: 0.20:1) and the Company's was 0.09:1 (2015: 0.12:1).

29. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 9 February 2017.



Digital Network Transformation



Master Ad Public Company Limited

1, 4th-6th Floor, Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak, Bangkok 10900 Thailand

Tel.(66) 2938-3388 Fax.(66) 2938-3486-7