



AQUA CORPORATION

บริษัท อควา คอร์ปอเรชั่น จำกัด (มหาชน)

รายงานประจำปี 2556

ANNUAL REPORT

2013



www.aquacorp.co.th

[Blank Page]

Contents

Report of the Board	2
Report of the Audit Committee	3
Group structure	4
Company Profile	5
Financial Highlights	9
Board of Directors and Executive	10
Business Operations of the Company	15
Group's Income Structure	18
Competition status and industry trends	19
Structure of shareholders and Management	20
Risk Factors	33
Connected Transactions	35
Financial Analysis and Operation Results	39
Report of Certified Public Accountant	42
Financial Statements	44

The Board of Directors report to shareholders

The operations in 2013 of Aqua Corporation Public Company Limited Group can generate growth in revenue and performance are outstanding. As a success from the working principle for quality under the good standards and focuses on performance to meet customers professionally with experience and expertise in the business operations of the Group consists of media advertising of Aqua Ad Public Company Limited ("AQUA AD/Subsidiary"), the integrated printing business and renewable energy business of Eastern Printing Public Company Limited ("EPCO/Associates"). In 2013 the Company and its subsidiaries recognized total revenue of Baht 412.16 million, profit from the sale of investment of Baht 173.38 million and the share of profit from investments in Associates of Baht 57.65 million equal to total revenue of Baht 643.19 million increased from 2012 by 48.80 percent and a net profit of Baht 290.94 million higher than 2012 by 1,144 percent, earnings per share of Baht 0.1619.

The profit from operations jumped significantly in 2013 due to the expansion in media and advertising business and recognize revenue increased from 2012 by 6.03 percent as compared to the growth rate of this industry. In 2013 the overview of media advertising increased of 0.95 percent from 2012, the billboard advertising decreased growth of 8.36 percent from 2012. The increase of the share of profit from investments in Associates increased from 2012 of 96.62 percent was the result of the business expansion in renewable energy. At the end of 2011, EPCO has invested in the construction of a 10 MW solar power plant in BorPloy, Kanchanaburi and began the commercial operation to supply electricity to the Provincial Electricity Authority on October 15, 2012 by receiving the ADDER purchase price from the Provincial Electricity Authority at Baht 8 per kilowatt hour. In addition, the Company sold its investment in shares AQUA AD (which is a subsidiary of the Company, holding 99.99 percent) of 105,151,997 shares or 26 percent of the paid-up shares to Wattana Capital Public Company Limited ("WAT"). That make the Company recognized profit from the sale of such investment of Baht 165.93 million. The Company currently holds AQUA AD of 73.99 percent.

The Group focus on the restoring benefits to Communities and Environment, presents the annual budget to support activities and projects which related to an education, Social and community development and Environmental protection and to encourage the executives and employees to participate in such activities. In 2013 the Company has initiated a project "AQUA FULFILL A DREAM TO SHARE HAPPINESS" starting the first project on " You satisfied I enjoyed" at Ban Khlong Bong School, Wang Nam Khiao District, Nakhon Ratchasima Province. Henceforth the Group will support the activities and projects continuously

On behalf of the Board of Directors of Aqua Corporation Public Company Limited and all executives. We appreciate the cooperation and trust of Shareholders, Business partners, Employees and All stakeholders on the success of the Company that provide support in all areas and hope that the next year will be another year to get together to appreciate and be proud in the Growth, Stability and Strength of the Company as a result of the cooperation of all.



(Mr.Watcharakiti Watcharothai)

Chairman of the Board

19 Feburary 2014

Report of the Audit Committee

Audit Committee's Report

The Audit Committee of Aqua Corporation Public Company Limited consists of three independent directors who have the duties and responsibilities defined in the charter of the Audit Committee and assigned by Board of Directors in accordance with the requirements of the Securities and Exchange Commission and Stock Exchange of Thailand. During the year 2013, the Audit Committee held four meetings with the external auditors, internal auditors and management of the company, summarized as follows;

- 1. Unaudited quarterly financial statements and financial statements for the year 2013.** The Audit Committee considered the review of quarterly financial statements and annual financial statements Y2013 with management and auditors to ensure that the financial statements of the company and its subsidiaries were prepared in accordance with generally accepted accounting principles, and disclosure of the information and the related party of the transactions of the company and its subsidiaries also connected transactions according to the conditions and rules governing the Securities and Exchange Commission and the Stock Exchange of Thailand as specified.
- 2. Reviewed internal controls and internal audit,** reviewed the performance, audit results, recommendations and the progress of the operation every quarter. The Audit Committee had the opinion that internal the control system and internal audit of the company was sufficient and appropriate.
- 3. Complied with regulations and related laws,** the company complied with the requirements of the law relating to the company's business and no significant issues regarding compliance and related laws. It also provided important information disclosure of the company audited financial statements and various reports were accurate and reliable.
- 4. Considered the selection auditors for the year.** The Audit Committee considered the selection of auditors by considering the scope of services, audit fees were reasonable, and presented to the Board of Directors for consideration and approval from the shareholders meeting to appoint the auditors of the company and its subsidiaries.
- 5. Reviewed that the related transactions or the transaction may have had a conflict of interest.** The Audit Committee had been meeting with executives and auditors to consider and review related party transactions or transactions that may have had a conflict of interest, including information disclosure as normal items of the business and it was reasonable to make maximum benefit under the policy.

The Audit Committee regarded that in the last year the Director of the Company and all levels of the executives focused on the management in accordance with the principles of good corporate governance and internal control effectiveness.

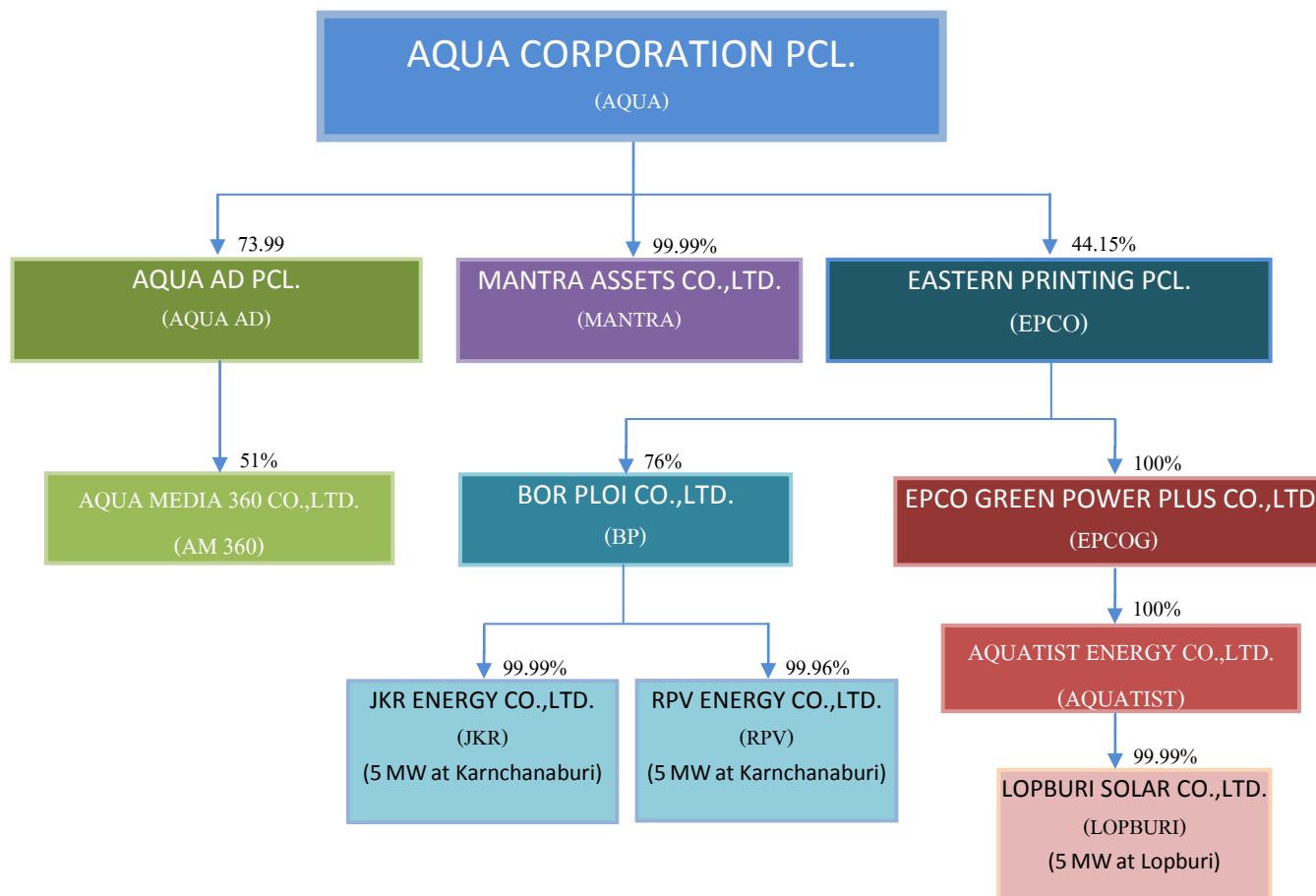


(Miss Pranee Rattakam)

Chairman of Audit Committee

19 February 2557

AQUA Group structure as at December 31, 2013



Note

- (1) On March 17, 2014, , the Company has allotted shares EPCO from the subscription that EPCO offer to the existing shareholders by right offering in full that make the holding in EPCO of the Company, change from 44.15 percent to 45.86 percent of the paid up capital of EPCO.
- (2) On February 18, 2014, the Board of Directors of EPCO approved the purchase of Borploi Solar Limited shares by 5,882,400 shares or 24 percent of the paid up capital at a purchase price of Baht 23.30 per share, was worth of Baht 137.06 million which were the shares that EPCO did not hold. After the acquisition within March 2014, the shareholding of EPCO in Borploi Solar Co., Ltd. will change from 76 percent to 100 percent of the paid up capital of Borploi Solar Co., Ltd.

Company Profile

(1) Company Profile

Name	Aqua Corporation Public Company Limited
Symbol	AQUA
Registration Number	0107547000397
Head Office Location	121/68-69 21 st Floor, R.S.Tower, Ratchadapisek Road, Ding Daeng, Bangkok 10400
Home Page	www.aquacorp.co.th
Telephone	(02) 694-8888
Facsimile	(02) 694-8880
Business Type -	Original Company operates the sale and purchase of home appliances brand "Distar", Office supplies, Motorcycle and the other until early 2007, the Company has ceased on the all hire purchase loans.
-	In March 2007 the Company expanded its business operations by investment in Aqua Ad Public Company Limited (AQUA AD) which operates the media advertising business in shareholding of 50 percent.
-	In 2010, has invested in Eastern Printing Public Company Limited ("EPCO") which operates an integrated printing business and listed in the SET on December 31, 2013 the Company holds 44.15 percent. Later in the year 2011 EPCO has expanded its business operations by invested in renewable energy. Currently, has 2 solar power plant with a total capacity of 15 MW and on January 7, 2014 the Board of Directors of EPCO approved the establishment of EPCO Energy Company Limited as a subsidiary to invest in solar power plants in Japan with capacity of 23 MW in the area of Kurihara, Miyagi Prefecture, Japan, which have a license to sell electricity solar cells not exceeding 10 MW(AC) at a price of 40 yen per unit for 20 years and 13 MW (AC) at a price of 36 yen per unit for 20 years on an area of 410,172 sqm. or 256.36 rais.
-	Since 2011, the Company considering the purchase of billboard advertising and leasehold from the other operators including building a new advertising billboard in order to have the property to run a business on behalf of the Company and restructuring of the Company by purchasing shares from the other shareholders in AQUA AD until holding 99.99 percent of AQUA AD.
-	At the end of 2013, the Company sold the property related with the all billboards to AQUA AD in order to restructure business clearly along with sold the paid-up shares by 26 percent of AQUA AD to Wattana Capital Public Company Limited ("WAT") and holds remaining of 73.99 percent in AQUA AD.

On December 31, 2013 the Company had registered capital and paid up capital as follows.

Registered capital	Baht 1,985,627,726 divided into ordinary shares of 3,971,255,452 shares at par value of Baht 0.50 per share.
Paid up capital	Baht 898,922,835 divided into ordinary shares of 1,797,845,670 shares at par value of Baht 0.50 per share.

On March 14, 2014 (after the exercise of AQUA-W2 holder) the Company had Registered capital and Paid up capital as follows

Registered capital	Baht 2,086,960,834 divided into ordinary shares of 4,173,921,668 shares at par value of Baht 0.50 per share.
Paid up capital	Baht 2,077,341,581 divided into ordinary shares of 4,154,683,162 shares at par value of Baht 0.50 per share.
Accounting period	1 January to 31 December

(2) information of company that the company holds more than 10 percent

2.1 Subsidiary

1. Name	Aqua Ad Public Company Limited (“AQUA AD”)
Registration Number	0107552000138
Head Office Location	121/69 21 st Floor, R.S.Tower, Ratchadapisek Road, Ding Daeng, Bangkok 10400
Home page	www.aquacorp.co.th
Telephone	(02) 694-8888
Facsimile	(02) 694-8880
Business Type	Rental space for installation of advertisement boards, providing space, contract manufacturing and advertising installation by focusing on external residential advertising media and the advertisements that revenues to the AQUA AD was media advertising billboard.
Registered capital	Baht 404,430,759 (ordinary shares of 404,430,759 shares at par value of Baht 1 each)
Paid up capital	Baht 404,430,759 (ordinary shares of 404,430,759 shares at par value of Baht 1 each)
Accounting period	1 January to 31 December

2.2 Subsidiary

Name	Mantra Assets Company Limited
Registration Number	0105536086838
Head Office Location	121/69 21 st Floor, R.S.Tower, Ratchadapisek Road, Ding Daeng, Bangkok 10400
Home page	-
Telephone	(02) 694-8888
Facsimile	(02) 694-8880
Business Type	Original operated lease sales business of electric appliance product and automotive as well as the Company. Currently ceased providing new loans and collect money from former receivables only
Registered capital	Baht 10,000,000 (ordinary shares of 1,000,000 shares at par value of Baht 10 each)
Paid up capital	Baht 10,000,000 (ordinary shares of 1,000,000 shares at par value of Baht 10 each)
Accounting period	1 January to 31 December

2.3 Associated company

Name	Eastern Printing Public Company Limited (“EPCO”)
Registration Number	0107536000838
Headquarters	51/29 MOO 3, SOI SIAMSAMAKHI, VIBHAVADEE-RANGSIT ROAD, TALATBANGKHEN, LAK SI Bangkok
Home page	www.epco.co.th
Telephone	(02) 551-05141-4
Facsimile	(02) 552-0905 , (02) 551-0532
Business Type	The main business is the publisher and operates printing business in integrated manner by providing services ranging production planning until the binding to finished publication and at late of 2011 the Company expanded its business of renewable energy. By the Company has invested a 10 MW solar power plant in BorPloy, Kanchanaburi. And at the end of 2012, the Company invested in a 5 MW solar power plant at Khok Samrong district, Lopburi. And early of 2014 invested in a 23 MW solar power plants in Japan.
Registered capital	Baht 953,508,751 (ordinary shares of 953,508,751 shares at par value of Baht 1 each)
Paid up capital	Baht 524,793,567 (ordinary shares of 524,793,567 shares at par value of Baht 1 each)
Accounting period	1 January to 31 December

(3) Information of other reference persons

Share Registrar	: Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building, 62 Rachadapisek Road, Klongtoey, Bangkok 10110 Telephone 0-2299-2800 Facsimile 0-2359-1259
Auditor	: Miss Chaovana Viwatpanachati C.P.A. (Thailand) Registration No. 4712 Pitisevi & Company 8/4 Floor 1,3 Soi Viphavadee 44 (Soi Amornphan 4) Viphavadee-Rangsit Rd., Ladyao Chatuchak, BKK Telephone 0-2941-3584-6 Facsimile 0-26941-3658

Financial Highlights

(Unit : Millian Baht)

Financial Statement	Consolidated		
	2013	2012 (Restated)	2011 (Restated)
Total Assets	1,547.24	1,124.69	1,044.91
Total Liabilities	213.42	198.42	142.02
Total Shareholders' Equity	1,333.82	926.27	902.89
Equity holders of the Company	1,224.41	921.57	898.37
Minority interest	109.42	4.70	4.52
Total Revenues	585.54	402.94	370.68
Revenues from sales and services	397.06	391.28	337.81
Gross Profit (Loss)	195.39	184.63	149.81
Net Profit (Loss)	290.95	23.38	17.21
Equity holders of the Company	291.14	23.20	5.51
Minority interest	(0.19)	0.18	11.70
Basic Earning Per Share (Baht per share) *	0.1619	0.0129	0.0036
Book Value Per Share (Baht per share) *	0.68	0.51	0.50
Financial Ratios	2013	2012	2011
Current Ratio (times)	6.02	2.545	2.98
Debt to Equity Ratio (times)	0.16	0.21	0.16
Gross Profit (Loss) Margin (%)	49.20	47.18	44.05
Net Profit (Loss) Margin (%)	49.69	5.80	4.64
Return on Assets (%)	0.22	0.02	0.02
Return on Equity (%) *	0.26	0.04	0.02

Remark : * Owners of the parent

As at December 31, 2011-2013 fully paid-up share capital 1,797,845,670 common shares of Baht 0.50 each.

As at February 27, 2014 Board of Directors consist of :-

Board of Directors

1.	Mr. Chulasingh	Vasantasingh	Independent Director and Chairman of the Board
2.	Mr. Watcharakiti	Watcharothai	Independent Director and Chairman of Audit Committee
3.	Mr. Phonlasit	Phumiwasana	Director and Acting Managing Director
4.	Mr. Siriwat	Vongjarukorn	Director
5.	Mr. Grisada	Jarreonkonkit	Director
6.	Mrs.Orawan	Lekrungruangkit	Director
7.	Ms. Pranee	Rattakam	Independent Director
8.	Mrs. Podchane	Phaosavasdi	Independent Director

Executive Committee

1.	Mr. Phonlasit	Phumiwasana	Acting Managing Director
2.	Mrs.Orawan	Lekrungruangkit	Executive Director
3.	Mr. Siriwat	Vongjarukorn	Executive Director

Audit Committee

1.	Mr. Watcharakiti	Watcharothai	Chairman of Audit Committee
2.	Ms. Pranee	Rattakam	Audit Committee
3.	Mrs. Podchane	Phaosavasdi	Audit Committee

Nomination and Remuneration Committee

1.	Mr. Watcharakiti	Watcharothai	Chairman of Nomination and Remuneration Committee
2.	Ms. Pranee	Rattakam	Member of Nomination and Remuneration Committee
3.	Mrs. Podchane	Phaosavasdi	Member of Nomination and Remuneration Committee

Executives

As at December 31, 2013 Board of Executives consist 6 person :-

1.	Mr. Phonlasit	Phumiwasana	Acting Managing Director
2.	Ms. Rewadee	Whanchid	Asst. Managing Director and Chief Financial Officer
3.	Mr. Maitree	Techasriudom	Vice president - Marketing
4.	Mr. Supachai	Satitvimol	Vice President - Legal
5.	Ms. Saowaros	Chantaramivessakul	Vice President - Internal Audit
6.	Mrs. Wipa	Chalermkwanchai	Vice President - Human Resource

Profile of the Board

Name	Age (year)	Education	% of Share-holding	Relationship	Working Experience		
					Period	Position	Company/Type of Business
(1) Mr.Chulasingh Vasantasingh Independent Director Chairman of the Board	63	<ul style="list-style-type: none"> ● Bachelor of Laws (L.L.B.) (Hons.), Chulalongkorn University ● Barrister at Law, The Institution of Legal Education ● Master of Comparative Law (M C L.), University of Illinois, U.S.A. ● Honorary Doctorate Degree in Laws, Ramkhamhaeng University ● Honorary Doctorate Degree in Laws, Chulalongkorn University. ● Honorary Doctorate Degree in Laws, Yonok University. ● Thai Institute of Directors Association (IOD), DCP 35/2003, FND 7/2003, UFS 1/2006, ACP 17/2007, Refresh Course DCP 1/2008 	No	No	Feb.14-Present	Independent Director and Chairman of the Board	Aqua Corporation Public Company Limited
					2009-Present	Attorney General.	The Office of the Attorney General
					2005-2009	Deputy Attorney General	The Office of the Attorney General
(2) Mr. Watcharakiti Watcharothai Independent Director Chairman of the Board Chairman of Nomination and Remuneration Committee	53	<ul style="list-style-type: none"> ● Master of Public Administration Roosevelt University, IL U.S.A ● Bachelor of Arts (Political Science), Kasetsart University ● Honorary Doctor of Philosophy, Department of Public Administration, Ramkhamhaeng University ● Training on the DCP 121/2009 	No	No	Feb.14- Present	Independent Director / Chairman of AuditCommittee	Aqua Corporation Public Company Limited
					2013 - Feb.14	Director and Chairman of the Board	Aqua Corporation Public Company Limited
					2013– Mar 2014	Chairman of the Board	General Engineering Public Company Limited
					1999 – 2013	Director /Chairman of Audit Committee	Krisada Mahanakorn Public Company Limited
					2007 – Present	Grand Chamberlain	Bureau of The Royal Household

Name	Age (year)	Education	% of Share-holding	Relationship	Working Experience		
					Period	Position	Company/Type of Business
(3) Mr. Phonlasit Phumiwasana Director Acting Managing Director Director with authorized signature Executive Director	41	<ul style="list-style-type: none"> • MBA (Finance) ,MS (Economic) Claremont Graduate University • BBA, La Sierra University • DAP training Class 78/2009 	1.67	No	Sep.13- Present 2011 - Present 2011 - Present 2011 - 2013 2009 - 2013	Acting Managing Director Director, Executive Committee Director Director Director, Executive Committee	Aqua Corporation Public Company Limited Aqua Corporation Public Company Limited Mantra Asset Company Limited Pent Publishing Company Limited Aqua Ad Public Company Limited
(4)Mr. Siriwat Vongjarukorn Director Director with authorized signature Executive Director	46	<ul style="list-style-type: none"> • Engineering Chulalongkorn University • DAP training Class 9/2004, DCP 42/2004 	8.89	No	Feb 14-Present 2003-Present 2004-Present 2004-Present 2005-Present 2006-Present 2008-Present 2011-Present 2012-Present	Director Chief Executive Office & CEO Director Director Director Director Director Director Director	Aqua Corporation Public Company Limited MFEC Public Company Limited PromptNow Company Limited Advance Intelligence Modernity Company Limited Modernform Integration Services Company Limited Chamchuri Innovative Company Limited Chamchuri Innovative Product Company Limited M.I.S. Outsourcing Company Limited Nutthakun (Thailand) Company Limited
(5) Mr. Grisada Jarreonkonkit Director	46	<ul style="list-style-type: none"> • Master of Arts in Economics, Chulalongkorn University • Bachelor of Arts in Economics,Dhurakij Pundit University 	No	No	2013- Present Aug 13-Dec 13 April 13-Aug 13 2012 - Present 2009 - 2555 2003 - 2009	Director Director Independent Director /Audit Committee Director Financial Advisor Senior Director of financial institutions Coordination	Aqua Corporation Public Company Limited Aqua Ad Public Company Limited TWZ Corporation Public Company Limited General Engineering Public Company Limited Krisada Mahanakorn Public Company Limited Krisada Mahanakorn Public Company Limited
(6) Mrs.Orawan Lekrungrangkit Director Director with authorized signature	48	<ul style="list-style-type: none"> • Master of Business Administration (Financial), Thammasat University • Bachelor of Science (Food Technology), Kasetsart University 	No	No	2013 – Present 2013 – Present 2013 – Present	Director / Executive Committee Director Director	Aqua Corporation Public Company Limited Aqua Media 360 Company Limited Aqua Ad Public Company Limited

Name	Age (year)	Education	% of Share-holding	Relationship	Working Experience		
					Period	Position	Company/Type of Business
Executive Director		<ul style="list-style-type: none"> • DAP training Class 98/2012 			2013 – Present Aug 13 – Dec 13 2011 – 2013 2005 – 2013	Director Director Director Manager	Mantra Assets Company Limited Pent Publishing Company Limited A Plus Planner Company Limited Capital Alliance Limited
(7) Ms. Pranee Rattakam Independent Director Audit Committee Member of Nomination and Remuneration Committee	50	<ul style="list-style-type: none"> • Master of Business Administration, Chulalongkorn University • Certified Public Accountant • Bachelor of Accountancy, Chulalongkorn University • DAP training Class 79/2009 	No	No	2010 – Present May13-Feb.14 2009 – May 2010 2003 – Present	Independent Director /Audit Committee Independent Director / Chairman of AuditCommittee Independent Director/Audit Committee Assistant Chief Executive Officer	Aqua Corporation Public Company Limited Aqua Corporation Public Company Limited Aqua Ad Public Company Limited Krungthai Card Public Company Limited
(8) Mrs. Podchanee Phaosavasdi Independent Director Audit Committee Member of Nomination and Remuneration Committee	53	<ul style="list-style-type: none"> • Master of Business Administration – Marketing, Ramkhamhaeng University • Bachelor of Literature Arts Official, Chulalongkorn University • DAP training Class 64/2007 • RCC training Class 9/2009 • DCP training Class 151/2011 	No	No	2013 – Present 2012 – Present 2011 – Present 2007 – Present 2006 – Present 2006 – Present	Independent Director Corporate Governance Committee Director / Director of Organization Management Director / Deputy Managing Director of Organization Management Director	Aqua Corporation Public Company Limited TRC Construction Public Company Limited TRC Engineering LLC, Sultanate of Oman TRC Construction Public Company Limited Sahakarn Wisavakorn Company Limited Sahakarn Wisavakorn Company Limited
(9) Ms. Rewadee Whanchid Company Secretary Asst. Managing Director CFO	44	<ul style="list-style-type: none"> • Master of Business Administration Kasetsart University • Bachelor of Business Administration in Accounting, Ramkhamhaeng University • DAP training Class 79/2009 	No	No	Feb 2014 - Present 2012 - Feb. 2014 2012 - Present 2008 – Present 2011 – 2013 2013 – Present 2012 – Present	Company Secretary Director Asst. Managing Director/CFO Director Director Director Director	Aqua Corporation Public Company Limited Aqua Corporation Public Company Limited Aqua Corporation Public Company Limited Aqua Ad Public Company Limited Pent Publishing Company Limited Aqua Media 360 Company Limited Mantra Assets Company Limited

Name	Age (year)	Education	% of Share-holding	Relationship	Working Experience		
					Period	Position	Company/Type of Business
					1994 – 2008	Vice President of Accounting and Finance	Aqua Corporation Public Company Limited
(10) Mr.Supachai Satitvimol Vice President - Legal	49	Thai Barrister-at-Law Institute of Legal Educational of The Thai Bar Association	0.0001	No	2006-Present	Vice President-Legal	Aqua Corporation Public Company Limited
(11) Mr.Maitree Techasriudom Vice president – Marketing	48	Bachelor Degree, Communication Art Bangkok University	No	No	1998-Present	Vice President-Marketing	Aqua Corporation Public Company Limited
(12) Ms. Saowaros Chantaramivssakul Vice President – Accounting and Finance	42	Bachelor of Accounting The University of the Thai Chamber of Commerce	No	No	2010 – Jan 2014	Vice President- Accounting and Finance	Aqua Corporation Public Company Limited
					2009 - 2010	Assistance-Vice President- Accounting and Finance	Aqua Corporation Public Company Limited
(13) Mrs.Wipa Chalermkhanchai Vice President - Human Resource	46	Bachelor Degree Administration Ramkhamhaeng University	No	No	2009 - Present	Vice President – Human Resource	Aqua Corporation Public Company Limited

Note: The authorized directors of the Company who can sign to bind the Company are Mr.phonlasit Phumiwasana, Mrs.Orawan Lekrungrangkit Mr.Siriwat Vongjarukorn any two of these three directors are authorized to jointly sign with the Company's seal affixed

Business Operations of the Company

Background

The Company has been listed on the SET since September 17, 2004 with the name DE Capital Plc. (“DE”). On February 21, 2007, Mida Asset Plc. (“MIDA”) has become a new major shareholder with 12.95% shareholding with the new policy to cease hire purchase household electrical appliances, office equipment and taxies due to the unworthiness of the operating cost. Revenues from taxi hire-purchase financing thus came from old portfolio only and the company had cash from debt collection for investments in other business.

In 2007, the Company invested in 50% of total shareholding portion of Baht 300 million registered capital of J.R. Deal Co., Ltd., which later changed to AQUA Corporation Plc. (and later in 2012 changed to Aqua Ad Plc. (“AQUA AD”)), which operates leasing and procurement of the advertisement bill board space including the production and installation for various kinds of advertisement works with the focus on outdoor advertisements.

In 2008, the Company invested in IMCC Corp. Company Limited at 4.03% of its registered capital of Baht 317 million separated into 31,700,000 shares at par value of Baht 10 per share. IMCC has imported and sales of multi purposed electric cars and All-terrain vehicles (ATV). However, in Q2/2012, the Company already recorded impairment on the investment after considering it will not benefit the Company in the future. Later the BOD’s meeting No. 3/2013 on March 28, 2013, approved the disposition of investment in IMCC at Baht 7.45 million.

In 2008, the Company also changed the name from “D E Capital Public Company Limited” to be “Sunshine Corporation Public Company Limited” or “SSE”.

In 2010, The Company invested in Aura Dream Co., Ltd., which is a hotel business of 209 rooms and 88 service apartments. The project is under construction and expected to complete in 2015.

In April 2010, the Company and its subsidiary invested in newly issued shares of Parking Management Co., Ltd., which operate cash collection system for car park and securities system for Suwannaphumi Airport. However, the Company already recorded impairment on the investment after considering it will not benefit the Company in the future.

On April 27, 2010, the Company has changed the Company’s name to “P Plus P Plc.” or “PLUS”. The Company also invested in 44.15% of total paid-up shares of Eastern Printing Plc. or “EPCO”, a listed company on the SET,

On March 30, 2012, the Company has changed its name to “Aqua Corporation Plc.” or “AQUA” and registered on April 2, 2012.

Nature of Business

Hire Purchase Business

The Company operates hire purchase under “Distar” brand name which includes household electrical appliances, office equipment, motorcycle and others. However, this business was already ceased.

Advertisement Billboard Space Rental Business

In 2007, the Company has invested in AQUA AD, which operates space rental for advertisement billboard business. In addition, during the end of 2011, the Company also invested in this business by acquiring billboards and leased billboards from other operators including building new billboards by using the same employee with AQUA AD, its subsidiary.

Investment Business

1. Aqua Ad Plc. (“AQUA AD”)

In March 2007, the Company invested in AQUA AD (former named J.R. Deal Co., Ltd.) and Aqua Corporation Plc. for 50% shareholding by purchasing 1.5 million newly issued shares for the capital increase of AQUA AD at the price of Baht 100 per share, totaling value of Baht 150 million. And on July 5, 2011, the AGM of the Company No. 2/2011 approved to investing in the remaining shares of AQUA AD. Now the Company holds 100% shares of AQUA AD.

The Board of Directors’ meeting No. 11/2013 held on December 23, 2013 has passed a resolution to approve the disposition of 105,151,997 ordinary shares of Aqua Ad Plc. (“AQUA AD”) accounting for 26% of total paid-up shares at Par value of Baht 1 per share at the purchasing price of Baht 2.66 per share totaling value of Baht 279,494,008 to Wattana Capital Plc., The Company currently holds AQUA AD accounted for 73.99%.

2. IMCC Corporation Plc. (“IMCC”)

In 2008, the Company invested in IMCC Corp. Company Limited at 4.73% of its registered capital of Baht 317 million separated into 31,700,000 shares at par value of Baht 10 per share. IMCC has imported and sales of multi purposed electric cars and All-terrain vehicles (ATV). However, in Q2/2012, the Company already recorded impairment on the investment after considering it will not benefit the Company in the future. Later the BOD’s meeting No. 3/2013 on March 28, 2013, approved the disposition of investment in IMCC at Baht 7.45 million.

3. Aura Dream Co., Ltd.

In 2010, The Company invested in Aura Dream Co., Ltd., which is a hotel business of 209 rooms and 88 service apartments. The project is under construction and expected to complete in 2015.

4. Eastern Printing Plc. (“EPCO”)

In June 2010, the Company also invested in 44.15% of total paid-up shares of Eastern Printing Plc. or “EPCO”, a listed company on the SET with registered capital of Baht 953,508,751 and paid-up capital of Baht 524,793,567 divided into 524,793,567 ordinary shares at par value of Baht 1 per share totaling value of Baht 449.64 million.

In 2011, ECPO has expanded its business by investing in 76% shareholding of solar power plant. In November 2011, EPCO invested in Bor Ploy Solar Co., Ltd. (former named IFEC Green Power Plus Co., Ltd.), which operates 10 MW of solar power plant since October 15, 2012.

In November 2012, EPCO Green Power Plus Co., Ltd., a subsidiary of ECPO with 100% shareholding, has invested in 100% of Aquatist Energy Co., Ltd.(Aquatist), which holds 99.97% of Lopburi Solar Co., Ltd. (Lopburi), which has a concession to sell electricity from solar energy with the maximum output of 5 MW and has begun the commercial operation to supply electricity to the Provincial Electricity Authority since February 4, 2012.

On January 7, 2014, the Board of Directors’ of Eastern Printing Plc. or “EPCO” has passed a resolution to approve the EPCO Energy Co., Ltd. is a subsidiary to invest in a 23 MW solar power plant project in Kurihara City, Miyaki Prefecture, Japan. The Project has licenses for the production and sale of electricity of 10 MW(AC) at the price of 40 yen per unit for a period of 20 years and for the production and sale of electricity of 13 MW (AC) at the price of 36 yen per unit for a period of 20 years. The Project is located on a land area of 410,172 square meters or equivalent to 256.36 Rai.

Revenue Structure

Main revenues of the Company and its subsidiary can be divided into 3 groups: 1) Revenues from sales, 2) Hire-purchase interest income and 3) Revenues from services for rental of advertising spaces and production of TV program and sales of advertising period. Details are as follows:

Type of revenues	2011		2012		2013	
	Baht mn	%	Baht mn	%	Baht mn	%
1. Revenues from sales:						
- Roasted coffee	-	-	-	-	-	-
- <i>Magazine</i>	16.97	4.57	36.87	9.15	27.50	4.70
<i>Total</i>	16.97	4.57	36.87	9.15	27.50	4.70
2. Revenues from services:						
- Spaces rental for advertising	268.55	72.45	278.54	69.13	299.32	51.12
- Production fee	45.34	12.23	58.09	14.42	57.60	9.84
- Television and advertising income	-	-	-	-	-	-
- <i>PR and Advertising income</i>	6.95	1.88	17.79	4.42	12.64	2.16
<i>Total</i>	320.84	86.56	354.42	87.97	369.56	63.12
3. Hire-purchase income:						
- Electrical appliances	1.83	0.49	1.43	0.35	3.18	0.54
- Phones	0.09	0.02	0.02	0.01	0.89	0.15
- Cars	0.75	0.21	0.08	0.02	0.01	-
<i>Total</i>	2.67	0.72	1.53	0.38	4.08	0.69
4. Other income :						
- Reversal of debt loss	6.53	1.76	2.69	0.67	2.06	0.35
- Profit from equipment sale	0.20	0.08	-	-	0.47	0.08
- Profit from assets sale	14.48	3.91	-	-	173.38	29.61
- Interest income	-	-	1.63	0.40	4.01	0.68
- Other	8.99	2.40	5.80	1.44	4.48	0.71
<i>Total</i>	30.20	8.15	10.12	2.51	184.40	31.49
<i>Total revenues</i>	370.68	100.00	402.94	100.00	585.54	100.00

Competition status and industry trends

Electrical appliances industry and Competitive Situation, and the leasing operators.

Because the Company has ceased to hire purchase loans of electric appliance and other since 2007 as stated above. The Company considered that information in this section does not affect the decisions of investors and the disclosures in this section may not reflect the actual situation. So we canceled the disclosure in this section.

Services and produce advertising media business

In 2007, the Company invested in Aqua Ad Public Company Limited (formerly, J. R. Deal Company Limited and Aqua Corporation Public Company Limited) "AQUA AD" with an investment of Baht 150 million operated rental space for installation of advertisement boards, providing space, contract manufacturing and advertising installation by focusing on external residential advertising media (Billboard). The Company acknowledges that the rental space for installation of advertisement boards business is a stable business, receive the recurring income from the rental of regular customers, a good rate of return on investment and quite definitely. It is a business that requires knowledge, ability and specializes in the business as well. So the Company had a confident that the investment in advertising media is an investment that provides a good return and sustainability to the shareholders in the long term.

In late 2011, the Company considering the investment by purchasing billboard ads and leasehold rights from the other operators including the building of new advertising billboard in order to have the property to run a business on behalf of the Company. Such business operation is the same business with AQUA AD, a subsidiary that the Company holds 100 percent. the Group uses the same personnel for administration and divided the Sales Management for the Group as follows (1) Billboards that are the property of the Company sell by the primacy of Billboards (2) Billboards that lease from the other operators sell on behalf of Company (3) In the event of a sale of multiple categories Billboards to a single customer per contract will sell on behalf of the Company.

The trend and competitive conditions in the external residential media advertising billboard industry has the characteristics of the price mechanism as a means of attracting more customers. Especially large billboards, which is an ad with quite high ad rate when compared to other types of advertising media external residential and product and services owners including the agencies tend to advertise to a small external residential that lower ad rates in each ad campaign. That make a Service Provider of advertisements for an external residential who present a new small-format advertising media has increased. Because of the development of such advertising media is quite simple and not much investment which the Group had adapted to develop all existing advertising media, both large and small, to have more balanced ratio. Addition advertising media tends to the media as more digital billboards by the Company policies to expand a digital Billboard to maintain market share. However, in the 3-5 years, the Group foresees that such changes will be done in a manner amenable to economic conditions, which the use of a large billboard will be also the main lifeblood of The media advertise for external residential.

Shareholders and Management

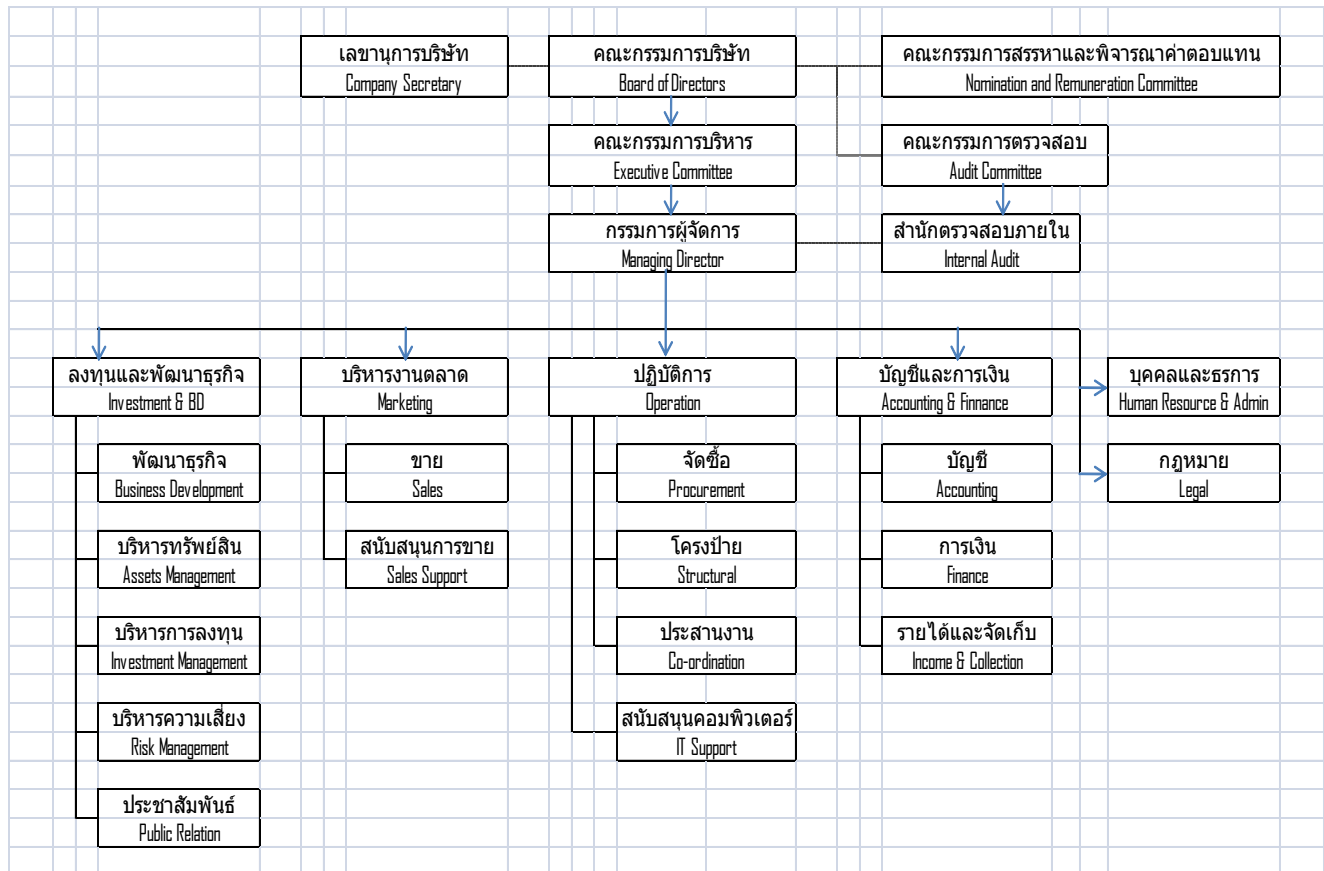
1. Shareholders Structure

Top 10 shareholders of the Company as of (February 24, 2014)

No.	Shareholders' names	No. of shares	%
1.	SIAM MEDIA LIMITED	315,000,000	17.52
2.	Ieosivikul group consists:	244,987,200	13.63
	<i>Miss Chawanlack Ieosivikul</i>	<i>143,847,674</i>	<i>8.00</i>
	<i>Miss Chitwadee Ieosivikul</i>	<i>54,514,838</i>	<i>3.03</i>
	<i>Mr.Sorasak Eawsivigoon</i>	<i>18,134,628</i>	<i>1.01</i>
	<i>Miss Phawinee Ieosiwikun</i>	<i>14,903,846</i>	<i>0.83</i>
	<i>Mrs.Tippawan Panyajirawut</i>	<i>10,871,600</i>	<i>0.60</i>
	<i>Mrs.Niphawan Ieosiwikul</i>	<i>2,384,614</i>	<i>0.13</i>
	<i>Mr.Suwatchai Panyajirawut</i>	<i>330,000</i>	<i>0.02</i>
3.	Miss Roongrawee Iampongpaiboon	161,513,541	8.98
4.	Mr.Siriwat Vongjarukorn	80,000,000	4.45
5.	Mrs.Jittada Paoin	79,500,000	4.42
6.	Thailand Securities Depository Co.,Ltd for Depositors	68,506,200	3.81
7.	Mr.Siwasit Sainampeung	65,000,000	3.62
8.	Mr.Kritsilp Chalangkwan	53,500,000	2.98
9.	Mrs.Chalow Wattanasombat	50,813,700	2.83
10.	Miss Phengjai Ta u-bol	40,000,000	2.22

2. Management

Management Structure as at 31 December 2013



The management structure of the company consists of Board of Directors, Audit Committee, Executive Committee and the Management. In the management and oversight of the Group's business, the Board of Directors and Management are committed to good corporate governance principles as recommended by the Stock Exchange of Thailand; including other suggestions of the Securities and Exchange Commission.

2.1 Board of Director

The Board of Directors as at February 27, 2014 consists of 8 persons as follows:

- | | | |
|----|-----------------------------|--|
| 1. | Mr.Chulasingh Vasantasingh | Independent Director / Chairman of the Board |
| 2. | Mr.Wacharakiti Watcharothai | Independent Director / Chairman of Audit Committee |
| 3. | Mr.Phonlasit Phumiwasana | Director / Acting Managing Director |
| 4. | Mr.Siriwat Vongjarukorn | Director |
| 5. | Mr.Grisada Jarreonkonkit | Director |
| 6. | Miss Orawan Lekrungruangkit | Director |
| 7. | Ms.Pranee Rattakam | Independent Director |
| 8. | Miss Podchanee Phaosavasdi | Independent Director |

The authorized directors

The authorized directors of the Company who can sign to bind the Company are Mr.phonlasit Phumiwasana, Mrs.OrawanLekrungruangkit, Mr.Siriwat Vongjarukorn any two of these three directors are authorized to jointly sign with the Company's seal affixed

Scope of Authority and Responsibilities of the Board of Directors

Under the resolution of the Board of Directors meeting 14/2004 which was also attended by the Audit Committee, limitations of authority and responsibilities of the Board of Directors were set as follows:

The Board of Directors has duties in managing and controlling of the Company in accordance with laws, objectives, Company's regulations, shareholders' resolutions, policy and business direction of the Company, financial management, risks management, and organizes the controlling system of the management to be in line with Company's policy efficiently and effectively.

Moreover, the Board of Directors empowers to appoint a number of directors to be the Executive committee to manage one or more Company's business. The Board of Directors also empowers to authorize directors to sign on behalf of the Company in managing the Company's business except for the following conditions which require resolution from shareholders' meeting:

- 1) Legal matters that require approval from the shareholders' meeting.
- 2) Any transactions that Directors may have benefits or vested interests and under the law or regulations of the Stock Exchange of Thailand that requires resolutions from shareholders' meeting.

In the following cases, the matter must be approved by the board of directors and the meeting of shareholders of not less than three fourths of the entire votes of the attending shareholders with voting rights.

- 3) The Selling or Disposition of total assets or the significant proportion of assets
- 4) The Purchasing or Acquisition of total assets or the significant proportion of assets

- 5) The agreement, amendment or termination concerning the Lease of total assets or the significant proportion of assets, and the designation of other person(s) and/ or juristic person(s) to manage the company's business or to merge with the other person(s) and/ or juristic person(s)
- 6) The amendment of Company's Article of Association, Memorandum of Association
- 7) Increase or decrease of the company's capital
- 8) Mergers and Acquisition, Liquidation
- 9) The other cases as stated by law

2.2 Executive Committee

The member of Executive Committee as at February 27, 2014 consists of 3 persons as follows:

- | | | |
|-----------------|----------------|--------------------------|
| 1. Mr.Phonlasit | Phumiwasana | Acting Managing Director |
| 2. Miss Orawan | Lekrungrangkit | Executive Committee |
| 3. Mr.Siriwat | Vongjarukorn | Executive Committee |

Scope of Authority and Responsibilities of the Executive Committee

As the Board of Directors No. 6/2011 on August 11, 2011, and No.8/2011 on October 10,2011 the Audit Committee meeting attended the meeting to determine the scope of authority of the Executive Committee as following;

- 1) Authorized approval of a loan or any credit of the company within limits for each transaction of not more than 50 million baht or equivalent.
- 2) Authorized approval of the regular operations of the company such as purchasing, signage project, vehicles, materials, tools, equipment, approval cost, approval write-offs, etc., in limits for each transaction of not more than 50 million baht or equivalent.
- 3) Authorized approval of investments in equity securities and debt securities under the investment amount of not more than 50 million baht. The consideration of the transaction calculated the transaction size by criteria of an acquisition or disposition of assets.
- 4) Authorized management and operation of the business of the company, as the objectives, regulations and resolutions of the shareholders' resolution and Board of Directors in all respects.
- 5) Considered organizational structure and personnel management of the company.
- 6) Was responsible for determination and recommendations of the policy, business practices and the company's business strategy for consideration and approval to Board of Directors.
- 7) Was responsible for preparing the budget plan for the business year and the annual expenditure budget.
- 8) Authorized functions performed by business policies and business strategy, budget plan for the annual business operation and the annual expenditure budget that was approved by Board of Directors.

- 9) Authorized the conduct of financial transactions with financial institutions in opening an account with the bank, financial institutions and acquire the letter of guarantee from the banks, and the financial institutions in limit of not more than 50 million baht.
- 10) Other duties as assigned during the period by Board of Directors.
- 11) Reported to the Board of Directors on the agenda of the Board of Directors, resolved approval in the next meeting.

The above mentioned authorizations will not authorize the Executive Committee or authorized person from the Board of Directors to enter into any business transactions that he or a person who may has a conflict of interests or has any vested interests with the Company or its affiliates (as per the Company's regulations and regulations from the Securities and Exchange Commission)

2.3 Audit Committee

Members of the Audit Committee of the Company as at February 27, 2014 consisted of 3 persons as follows;

- | | | |
|--------------------|--------------|-----------------------------|
| 1. Mr.Watcharakiti | Watcharothai | Chairman of Audit Committee |
| 2. Ms.Pranee | Rattakam | Audit Committee |
| 3. Miss Podchanee | Phaosavasdi | Audit Committee |

Scope of Authority and Responsibilities of the Audit Committee

According to the resolutions of the Board of Directors meeting 14/2004 and reviewed again in Board of Director meeting 18/2008 on November 18, 2008 which included the Audit Committee, the scope of authority and responsibilities of the Executive Committee was as follows;

The Board of Director has assigned the Audit Committee to responsible for reviewing the company's operation and report directly to the Board of Directors in order to meet standard and create the benefit to the company and shareholders

The Audit Committee has duties and responsibilities regarding to the rules and regulations of the SEC and SET and report directly to the Board of Directors. In order to maintain an operating standard and bring in the most benefit to the company and shareholders, the Audit Committee has scope of authority and responsibilities as follows;

- 1) Review the company's financial reports to be accuracy sufficient disclosed and reliable
- 2) Review the internal control and internal audit system of the Company to be in the proper and efficient
- 3) Review that the Company's operations are in accordance with laws and regulations of the Stock Exchange of Thailand or other laws related to the business operations of the Company
- 4) To consider, select and nominate the company's auditor, determine the auditor's remuneration, evaluate the auditor's performance and maintain the independent of the auditor's operation
- 5) To consider and rectify the appointment, remove, transfer, consideration of laurel and assign any jobs to the internal control unit, including to maintain its dependency in operation

- 6) Consider the connected transactions or the transactions that may cause the conflict of interest to be conform with the rules and regulation of SET
- 7) Prepare the Audit Committee's Report to be disclosed in annual report which must be signed by the Chairman of the Audit Committee and consisting of the following matters;
 - Resolution on the process and transparency of data in the financial report of the Company with considerations in righteousness and credibility
 - Resolution on adequacy of the Company's internal control
 - Resolution in compliance with the laws on securities and the stock exchange, regulations of the Stock Exchange of Thailand and other laws related to the business operations of the Company
 - Resolution on propriety of auditor
 - Resolution on the transactions that may cause the conflict of interest
- 8) Other jobs assigned by the Board of Directors with approval from the Audit Committee.

2.4 Nomination and Remuneration Committee

Members of the Nomination and Remuneration Committee of the Company as at February 27 , 2014 consisted of 3 persons as follows;

- | | | |
|--------------------|--------------|---|
| 1. Mr.Watcharakiti | Watcharothai | Chairman of Nomination and Remuneration Committee |
| 2. Ms.Pranee | Rattakam | Nomination and Remuneration Committee |
| 3. Miss Podchane | Phaosavasdi | Nomination and Remuneration Committee |

Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

According to the resolutions of the Board of Directors meeting 5/2006 held on November 18, 2006 and reviewed again in Board of Director meeting 2/2010 on March 2,2010 which included the Nomination and Remuneration Committee, the scope of authority and responsibilities of the Executive Committee was as follows:

- 1) Generalization, policy and methodology of recruiting proper persons to be appointed as the company's directors, managing director, consultants regarding to their knowledge, capability, renown, experience and honorableness
- 2) To fix the remuneration structure and other benefit of the directors, managing director and consultants in comparison with other comparable industries or businesses
- 3) To ensure the recruiting to be conform to the objectives and principles with discretion, caution and concerning to the best benefit to the company before propose to the board of directors

2.5 Executives

The executives of the Company as at December 31, 2013 consisted of 6 persons as follows;

1. Mr. Phonlasit	Phumiwasana	Acting Managing Director
2. Ms. Rewadee	Whanchid	Asst. Managing Director and Chief Financial Officer
3. Mr. Maitree	Techasriudom	Vice president – Marketing
4. Mr. Supachai	Satitvimol	Vice President – Legal
5. Ms. Saowaros	Chantaramivessakul	Vice President - Internal Audit
6. Mrs. Wipa	Chalermkwanchai	Vice President - Human Resource

Scope of Authority and Responsibilities of the Managing Director

According to the resolutions of the Board of Directors meeting 6/2011 held on August 11, 2011 and Board of Directors meeting 8/2011 held on October 10, 2011 which included the Audit Committee, the scope of authority and responsibilities of the Executive Committee was as follows;

The Managing Directors has an authorization to perform as assigned by the board of directors under the rules and regulations of the company. However, the authorization cannot be used to approved any transaction between the company and the managing director, his/her connected persons or any other persons who may have conflict of interest with the company or its subsidiaries.

Scope of Authority and Responsibilities of the Managing Director are as follows;

- 1) Operation and management of the company's normal business activities and approved of normal transactions of the company such as purchasing products, advertising banners, vehicles, materials, tools, equipment approval cost, approval of hire purchase, approval of write-offs and hiring consultants, etc., in limits for each transaction of not more than 50 million baht.
- 2) Authorized management of investments in equity securities and debt securities under the limits approved by Board of Directors and / or the Executive Committee. However consideration the transaction shall be calculated by the transaction size, by criteria of an acquisition or disposition of assets.
- 3) Operation and management of the business of the company according to business policies, business plan and business strategy approved by Board of Directors.
- 4) Authorized or delegated to other person that the Managing Director considers appropriate to serve as Managing Director in regard to necessary and appropriateness by providing at the discretion of the Managing Director which is under the rules of law and regulations of the company.
- 5) Responsible for preparation recommendations and determination of policy guidelines and strategies of the company to present and approval to the Board of Directors and / or the Executive Committee to consider approval each time and perform other functions as assigned by Board of Directors and / or the Executive Committee each time.
- 6) Responsible for preparing and managing the organizational structure and management personnel of the company to the Board of Directors and / or the Executive Committee for consideration.

Unlawful history

In a period of the last 10 years, the Board of Directors and the Chief Executive Officer of the company have not been fired or had a lawsuit dismissed against them due to corruption or have not had bankruptcy filed or been convicted or had any criminal dispute or litigation which is pending a decision.

3. Appointment of the Board of Directors and Management Executives

The appointment process to the Board of Directors will be through the appointing committee. This will be considered by the Nomination and Remuneration Committee by using qualifications according to the Act 68 of Standard Qualifications of the Public Company Limited B.E 1992 and other relevant announcements from the Securities and Exchange Commission and regulations from the Stock Exchange of Thailand. Moreover, experiences, knowledge, and capability of the candidate will be considered and the name list will be forwarded to the Shareholders meeting for approval.

Directors are appointed by the resolutions of the Shareholders meeting according to the rules and regulations of the Public Company Limited Act as follows:

- a) Each shareholder shall have one vote for each share.
- b) Each shareholder shall cast the vote for one Director at a time
- c) The persons receiving the most votes in descending order will be appointed as Directors according to the number of Directors to be elected. In case that there is a tie for the last Directors to be elected and this has already exceeds the total number required; the Chairman can cast his deciding vote.

4. Annual Remuneration of Executives

Monetary Remuneration

Individual Director's Remuneration

No.	Name	Attended In 2013	Resigned in 2013	Attendance/Total Meeting	Remuneration (Baht)
1	Mr.Watcharakiti Watcharothai	9/4/56		5/7	430,000
2	Pol.Lt.Gen Chalong Sonjai		2/5/56	5/5	155,000
3	Mrs.Chuanpis Chaimueanvong		18/9/56	7/8	120,000
4	Mrs.Jariya Nuksorn		31/7/56	7/7	105,000
5	Mr.Phonlasit Phumiwasana			11/11	175,000
6	Ms.Rewadee Whanchid			11/11	175,000
7	Mr.Grisada Jarreonkonkit	9/4/56		6/7	170,000
8	Mrs.Orawan Lekrungruangkit	29/9/56		2/2	45,000
9	Mr.Nunmanus Podang		4/4/56	1/3	35,000
10	Mr.Surat Chiracharasorn		4/4/56	3/3	45,000

11	Ms.Pranee	Rattakam			9/11	470,000
12	Mrs.Podchane	Phaosavasdi	10/5/56		5/5	205,000
13	Mr.Nuntapong	Kaweewuttisilpa	10/5/56		5/5	275,000
14	Mr.Thanin	Wanasuthanon	10/5/56		4/5	265,000
15	Mr.Jirath	Mokkhasmit		18/4/56	2/4	45,000
16	Pol.Lt.Col Tepratan	Nipiwan		2/5/56	5/5	65,000
14	Mr.Phatrakorn	Aksornvoranart		2/5/56	4/5	75,000
15	Ms.Saowaros	Chantaramivessakul			-	60,000
16	Mrs.Orathai	Nateruang (secretary)	1/3/56		-	50,000
Total						2,965,000

Executives's Remuneration

Item	2013		
	Number of Person	Amount (Baht)	Detail of Remuneration
Executives	6	7,763,740.10	Salaries, Bonus , social security fund and provident funds

5. Good Corporate Governance Compliance Report

The Company is fully committed to implement the principles of good corporate governance. In 2004 the Company had made various improvements in its operations accordingly. The Company believes that by having good standards in corporate governance, transparency, and ethics; acceptability and confidence among shareholders, investors and other related parties will increase tremendously thus; this will benefit the Company business in the long term. Conditions for good corporate governance will be

1) Policy of Good Corporate Governance

The Company is aware of the importance of good corporate governance towards growth of the Company's business. The good corporate governance, then, has been emphasized on the importance of equal treatment to shareholders, consideration to various groups' of stakeholders, the importance of controlling system and internal control, risk management, disclosure of information, and supervise executives in following the Company's policy efficiently under the laws and business ethics.

2) Rights and equalities of shareholders

The Company issues invitation letters prior to the shareholders meeting with details of the meeting agenda in advance as stated by law. The minutes of meeting will be recorded correctly in full details and the shareholders will have opportunities in checking the Company's business operations, asking questions and giving suggestions, equally in the meeting. Additionally, after the Company has transformed itself into the public company and registered its shares in the Stock Exchange of Thailand, it is the Company's policy in giving additional choice to the shareholders to transfer their rights to an Independence Committee in case they cannot attend the shareholders meeting.

3) Right of Stakeholders

The Company realizes the importance on the right of all groups of stakeholders, which include employees, executives, creditors, shareholders, customers, trading partners and general public. Cooperation among various groups of stakeholders will be coordinated for smooth running, stability and equal benefits to all parties.

4) Shareholders' Meeting

The Board of Directors recognizes the importance of the shareholders meeting so that Directors will attend the shareholders meeting. During the meeting, the Chairman will give opportunities to shareholders in checking operations of the Company, asking questions, and giving suggestions equally and all questions and suggestions will be recorded in the minutes of the meeting.

5) Leadership and Vision

The Board of Directors is involved in setting up policy and direction of the Company's operations and supervising the Executives to ensure that policy has been followed up efficiently in increasing the economic value and highest stability of the shareholders. The Company also limits the scopes and responsibilities among the Board of Directors, the Executive Board and Audit Committee into a very clear manner.

6) Conflict of Interest

The Board of Directors has carefully taken into considerations cases that may have conflict of interests by highlighted the Company as its main beneficiary. If occurred, the case will be presented for consideration to the Audit Committee for recommended opinions. Moreover, the Board of Directors has its duty in preventing conflict of interest to occur among stakeholders.

7) Business Ethics

The Company has stipulated the Code of Conduct and conditions prohibiting the Executives and employees in engaging duties with conflict of interest. Moreover, the Company will issue additional Code of Conduct for the Board of Directors, Executives Committee, and employees so that all related parties will use as a guideline in performing their duties with honesty, integrity, morality towards their Company and all stakeholders.

8. Balance of Power for Non-Executive Directors

The Company's Board of Directors consists of 8 Directors and comprises of

- Executive Directors 3
- Non Executive Directors and 1 Independent Directors 4 which are 62.5% of total Directors.

9) Aggregation and Segregation of Positions and Independence of the Board of Directors

The Chairman of the Board of Directors shall not be the same person as the Managing Director and frame work of the Board of Directors consists of Audit Committee which contains 3 Independent Directors who can create check and balance in the Company's operations.

10) Committees

The Board of Directors authorized the appointment of Audit Committee on April 29, 2004 to help in controlling the business operation of the Company. The Audit Committee consists of 3 Independent Directors with at least one Director who specializes in

finance and accounting and has the scope of authority and responsibilities as stated in details in the Authority and Responsibilities of the Audit Committee.

Nomination and Remuneration Committee: Set up on February 27, 2006, the committee has 3 Independent Directors who have the responsibilities for preparing names of individuals to become directors by using a transparent standard before submitting it for consideration to the board of directors or shareholders meeting and to be responsible for studying in details of remuneration policy and determine remuneration of director and committee members to propose to the board of directors for consideration.

11) Remuneration of the Board of Directors and Executives

Remuneration for the Board of Directors and Executives has been set up at suitable level with approval from shareholders meeting which consists of annual remuneration for Directors not more than 3,000,000 baht consist of the following.

Position	Per month	Per Meeting
Chairman of the Board	20,000	10,000
Chairman of Audit Committee	20,000	10,000
Chairman of Nomination and Remuneration Committee	-	10,000
Director / Audit Committee	10,000	5,000
Nomination and Remuneration Committee	-	5,000
Company Secretary	10,000	5,000

This will be considered by the Nomination and Remuneration Committee. The remuneration for Executives will be paid according to business performance of the Company and performance of each individual Executive.

12) Board of Directors Meeting

The Board of Directors schedules regular meetings and will have special meetings if necessary while the meeting agendas are clearly stated. Invitation letters for the meeting with meeting agendas and advanced documents are sent 7 days prior to the meeting. Minutes of the meetings are noted and written as meeting reports so they can be reviewed by the Board of Directors and other related persons. During the fiscal year 2013, the Board of Directors had 11 meetings.

No.	Name	Appointment	Term of service	Attendance / Total Meetings
1	Mr.Chulasingh Vasantasingh	Feb 27, 2014	Feb 14 – March 15	-
2	Mr.Watcharakiti Watcharothai	April 9, 2013	April 13 – March 15	5/7
3	Mr.Phonlasit Phumiwasana	Feb 2, 2011	April 13 – April 16	11/11
4	Mr.Siriwat Vongjarukorn	Feb 6, 2014	Feb 14 – March 15	-
5	Mr.Grisada Jarreonkonkit	April 9, 2013	April 13 – March 15	6/7
6	Mrs.Orawan Lekrungruangkit	Sep 23, 2013	Sep 13 – March 15	2/2

7	Ms.Pranee	Rattakam	May 11, 2010	March 12 – March 15	9/11
8	Mrs.Podchanee	Phaosavasdi	May 10, 2013	May 13 – April 16	5/5

13) Board of Directors Reports

The Board of Directors is responsible for all financial matters of the Company and financial statements in the annual report. The financial statements are prepared in accordance with the accepted accounting standards in Thailand. The appropriate and consistent accounting policies are being used constantly with careful scrutiny and good deliberation and enough disclosure of important information in the Notes to the Financial Statement.

14) Investor Relations

The Company recognizes the importance of accurate, complete, and up-to-date disclosure of information to shareholders, and other related persons. The Investor Relations unit operates in coordinating, communicating, and supplying the Company's information to shareholders, investors and analysts in a clear and transparent manner. Investors can contact the Investor Relations unit at e-mail address: investorrelation@aquacorp.co.th

6. Audit Fee

6.1 Audit Fee

For the year ended December 31, 2013, the audit fees were paid by the Company and the subsidiaries to :-

- Office of Pitisevi & Company , the company's auditor in the amount of Baht 1,000,000.
- Other audit firms or other persons who have any relationship with the auditor or Office of Pitisevi & Company in the amount of - Nil -

6.2 Non-Audit fee

- For the year ended December 31, 2013, the Non-Audit fees were paid amount of Baht 9,900.

7. Control on the Use of Inside Information

For the control of the use of inside information, the company has laid down policies for governing the executives not to use internal corporate information for personal gain and including the trading of the company's securities, the company has notified its executives regarding the company's policy, rules, regulations and suggestions of the Securities and Exchange and the Securities and Exchange Commission (SEC), especially prohibition of executives to use internal corporate information for personal gain and prohibition of executives and units that received the inside information to disclose to any third party or the person who has no duty involved and stop trading of the Company's securities for a period of 1 month prior to the publication of the financial statements and disclose to the public.

8. Personnel

The company and subsidiaries emphasize on an appropriate allocation of manpower in to each departments in order to be ready for the future expansion. The personnel of the group of companies in each group / department are as follows;

Department	Dec 31, 2013
1. Management and Secretary	7
2. Investment & Business Development	1
3. Marketing Management	13
4. Operation	12
5. Finance and Accounting	18
6. HumanResources and Administration	9
7. Legal	3
8. Internal Audit	1
9. IT Support	1
Total	66

Risk Factors

1. Risk Management in collection of receivables.

The beginning of the year 2007, the company has stopped providing new loans for the purchase appliances. Including stops selling and lending new car. The Company manages the collection of the receivables portfolio. This action will enable the Company's cash balances and is considered a company's primary source of funds used in the investment management of the collection, so if there is no performance impact on the Company's investments directly. However, there are ways to manage the collection of receivables such as a network exists in the channel of the company Mida Assets Public Company Limited (Thailand) and the company Mida Leasing Public Company Limited (), and employees. Some areas by the returns to such networks has streamlined operations and reduced costs in the management of some of them. As well as to expedite the bill through the process of justice in cases where the debtor fails to pay. The implementation of such a company has been in operation for a time. And most debtors are in the process of the court and auction of property confiscated. This is a way the company expects to get more money from debtors.

The Company does not use system management and network storage through the MIDA due receivables portfolio remains largely a part that no motion. Including the need to expedite the collection process through litigation and enforcement. The total receivables of the Company's provision for doubtful accounts for such balance.

2. The risk of the return on investment in new business fails to meet our expectations.

Company will have revenue from dividends from investments in subsidiaries and associates. Accordingly, the operating results and the ability to expand its business, Aqua Ad Public Company Limited, Eastern Printing Public Company Limited, and / or other business, the Company believes that potential. Is a major factor affecting future income. The Company may not have expertise to invest in businesses that rely shareholders and other parties in the business is key. The new business is the main income of the company in the future. The company has the risk of the investment earnings of the company. Do not go as expected. That may affect the impairment of investments which will impact on the operating results of the Company to the possible. But since the company has a strong policy of investment appraisal. Whether considering the opportunities for business growth. To check the status of the company before investing, including the Company's investments. Company sent agents to help control and manage. This helps to reduce this risk to some extent.

In late 2011, the company considering investing by buying billboard ads and leasehold rights of other operators. Including the creation of new advertising billboard. In order to have the property to conduct business on behalf of the Company. The business operations such as business operations with AQUA AD, a subsidiary of the Company holds 100 Management Group uses the same personnel. The sales operations, the Group share of the sale are as follows: (1) sign at the company's property sales JURISDICTION of banners (2) banners lease from other operators in the company (3) in the case, there are several types of sales tags to a single customer contract. To sell on behalf The implementation of such companies is expected. Companies can reduce the risk of a return of the subsidiary does not follow a predictable level.

However, on December 23, 2013, the Board of Directors' Meeting No. 11/2013 approved the sale of billboard advertising. And leasehold rights . About all of the billboard AQUA AD , a subsidiary of the Company holds 100 percent in order to reduce the risk to operate under old business . And reducing the risks of investing in the expansion of the publishing needs of the market for digital media as likely to invest or adaptation in digital media requires an investment rather more so , to reduce their risk. under the original business . Or to expand investment in the future. Companies need to find a partner or joint venture with the Company 's investment increases.

Connected Transactions

1. Connected Transactions of the company, subsidiaries and related parties during 2012 - 2013

• Connected Transaction with subsidiaries

(In Thousand Baht)

Related Person	Relationship	Item	Consolidated		Separated		Transaction Characteristics	Term	
			2013	2012	2013	2012			
Mantra Assets Company Limited	The company's subsidiary with the shareholding of 99.99%	1) Short-term loan	-	-	-	9,560	Short-term loan in form of promissory note at call which was a financial supporting transaction to the subsidiary where the interest rate was MLR per annum of Kasikorn Bank Pcl.	Call	
		2) Interest expenses	-	-	218	629			
		3) Other receivable	-	-	-	50	A normal business transaction resulting from allocated expense between company and subsidiary company.		
		4) Management fees incoms	-	-	375	650			
		5) Dividend	-	-	1,430	720	A normal business transaction resulting from investment in a associated.		
Aqua Ad Public Company Limited (AQUA)	The company's subsidiary with the shareholding of 100%	1) Short-term loan	-	-	47,233	152,557	This transaction is a promissory note that financial supporting to repay loan. The interest rate is 5% of MLR’K-Bank per annum MLR’TMB-1%.	Call	
		2) Accrued interest	-	-	104	-			
		3) Interest Expense	-	-	7,745	9,174			
		4) Rental of Rental of demolition Payable	-	-	852	-	A normal business transaction resulting from the billboard lease between the company and its subsidiaries.		
			-	-	4,673	15,148			
		5) Billboard Rental	-	-	3,500	-	The transactions on the sale of billboard advertising and assignment of the lease dated 24 December 2013		
		6) Leasehold Revenue	-	-	42,239	-			
		7) Gain on sale of assets							
		8) Other receivable	-	-	5,448	1,318	This transaction is expenses between rechargeable		
		9) Other payable	-	-	113	96			
10) Management fees incoms	-	-	14,639	15,695					

		11) Insurance Creditor	-	-	764	764	- Office space lease at the monthly rate of Baht 450 per square meter or a total of Baht 258,250 per month, including other expenses incurred	Aug 1,2012 – July 2015
		12) Other income	-	-	3,057	3,057		
		13) Dividend income	-	-	45,296	35,185	A normal business transaction resulting from investment in a associated.	

• Connected Transaction with Related Parties

Related Person	Relationship	Item	Consolidated		Separated		Transaction Characteristics	Term
			2013	2012	2013	2012		
Mida Leasing Pcl. (ML)	Co-Director (Ended April 9, 2012)	1) Employment to manage car fee	4	130	3	93	Employed to manage the hire-purchase receivables and car tax renewal at the company's payment of 6% of the hire-purchase amount collected in each month, and the fee for selling the seized cars on auction, in which the company paid ML 2% of the price of the car sold on auction This transaction is expenses between rechargeable.	
		2) Other payable	-	3	-	2		
		3) Trade A/R	-	171	-	-	This transaction is expenses between rechargeable	
		4) Unearned Int.	-	34	-	34		
		5) Service Income	1,561	1,151	-	-		
		6) Unearned Int.	78	204	78	204	Liabilities under financial lease and hire-purchase	3 years (Jun 10, 2011 – Jun 10,2014)
		7) Liabilities under hire purchase Contract	-	1,627	-	1,627		
Mida Assets Pcl. (MIDA)	Shareholder and director shareholder of company	Rent	171	171	171	171	Rent of space to store the company's documents in a total area of 270 sqr.m. at Baht 52.67 per sqr.m. per month, or a total rent of Baht 14,220 per month	1 year (Jul 1, 2012 – Jun 30, 2013) and per contract year.

• Connected Transaction with subsidiaries and affiliates

Related Person	Relationship	Item	Consolidated		Separated		Transaction Characteristics	Term
			2013	2012	2013	2012		
General Engineering Public Company Limited (GEN)	The major Shareholder(ended August 14, 2013)	1) Rent	60	54	-	-	- Income from production and rent advertising billboards.	January 1, 2014 – December 30, 2014)
		2) Other A/P	5	5	-	-		
Eastern Printing Public Company Limited. (EPCO)	Associated (share holding by the Company total of 44.15%)	1) Dividend	-	-	27,574	23,171	A normal business transaction resulting from investment in a associated. The cost of publishing the Invitation to Shareholders' Meeting.	
		2) Other Expenses	32	11	32	11		
		3 Trade Account payable	-	252	-	-		
Pen Publishing Company Limited	subsidiary of AQUA AD (ended November 30, 2013)	1) Sale Promotion	-	-	-	49		
		2) Other income	-	-	4	1		
		3) Other A/R	-	-	-	15		

2. Measures or procedure to Approve Related Transactions

To protect investors in case of the company's carrying out of related transactions with the person possibly causing conflict of interest in the future, the company will have the transaction types, prices and conditions of each party arranged clearly for the account auditor to check and disclose them in the Notes to Financial Statements. In regard to the normal related transaction, i.e., arising earlier and related to the company's main business, and /or the transactions that might cause conflict of interest, the Audit Committee shall check the justification and reasonability of the transactions and report its opinions to the meeting of the Board of Directors.

In case of the company's committing any unordinary business transaction or the transaction not in relation to the company's main business and possibly causing the conflict of interest, the company will ask the Audit Committee to make preliminary check prior to issuing the approval. The company shall arrange for the meeting of the Board of Directors attended by the Audit Committee to take the related transaction into consideration for fair practice and at proper pricing policy, in which the Directors with interest in that related transaction shall not have the voting right onto such transaction. Should the Audit Committee do not have skills in considering any related transaction, the company will ask an independent expert or its account auditor to give opinions on the issue and submit the resultant report to the Board of Directors or shareholders as deemed appropriate.

3. Policies and Trends of the Related Transactions in the Future

The company is adopting the earlier mentioned policy of the related transactions and shall abide by it in the future. As for a related transaction for normal business practices, the company will stipulate the price and conditions clearly and comparable to those of other firms and the company shall ask for the Audit Committee to take the matter into consideration and give opinions in regard to the properness of prices and reasonable actions of the transaction.

The related transactions to arise in the future shall conform to the laws on Securities and Securities Exchange of Thailand and the regulations, announcements, orders, or requirements of the Securities Exchange of Thailand including the regulation on the disclosure of the related transaction and the company or subsidiary's acquisition or disposal of important assets and in accordance with the accounting standard stipulated by the Accountant Association.

Analysis of financial status and operating performance of the Company**Operating Performance****■ Revenue**

In 2012, the Company had total revenues of Baht 402.94 million, increased Baht 32.26 million or 8.70% from 2011, which had total revenues of Baht 370.68 million, consisting of:

- Proceeds from services of Baht 354.42 million, increased Baht 33.58 million or 10.47% from 2011, mainly from the increase of revenues from advertising billboards, which increased from 79 locations in 2011 to 125 locations in 2012.
- Sales income from magazine business of its subsidiary of Baht 36.87 million, increased Baht 19.90 million or 117.27% from 2011.
- Hire-purchase interest income of Baht 1.53 million, decreased Baht 1.14 million or 42.70% from 2011. Such income is expected to decrease to zero in the future due to the Company already ceased the hire-purchase business since 2007.
- Other income of Baht 10.13 million, decreased Baht 20.07 million or 66.46% from 2011.

In 2013, the Company had total revenues of Baht 585.54 million, increased Baht 182.60 million or 45.32% from 2012, consisting of:

- Proceeds from services of Baht 369.56 million, increased Baht 15.14 million or 4.27% from 2012, mainly from the increase of advertising billboards.
- Sales income from magazine business of its subsidiary of Baht 27.50 million, decreased Baht 9.37 million or 25.41% from 2012.
- Hire-purchase interest income of Baht 4.08 million, increased Baht 2.55 million or 166.67% from 2012. Such income is expected to decrease to zero in the future due to the Company already ceased the hire-purchase business since 2007.
- Gain on disposal of investment of Baht 173.38 million which in 2012 has no this item.
- Other income of Baht 11.02 million, increased Baht 0.90 million or 8.89% from 2012.

■ Cost of sales

In 2011 and 2012, cost of sales are mainly from the magazine business of Pen Publishing Co., Ltd., which were Baht 7.16 million and Baht 31.75 million, or 42.20% and 86.12% of sales income, respectively. In 2012, ratio of cost of sales was higher than 2011, due to the Company recorded the impairment for loss of inventory, affected by flood during the end of 2011.

In 2013, the Company had cost of sales of Baht 18.65 million, decrease Baht 13.10 million or 41.26% as a result of the decreased sales income due to the efficiency cost management.

■ Cost of services

In 2012, the Company had cost of services of Baht 174.91 million, decrease Baht 5.93 million or 3.28% from 2011, which had cost of sales of Baht 180.84 million. Cost of sales of 2012 accounted for 49.35% of services income, decreased from 56.36% in 2011 due to the Company can manage cost of advertising billboards efficiently; while cost of services for magazine business in 2011 was not fully recorded.

In 2013, the Company had cost of services of Baht 183.04 million, increased Baht 8.13 million or 4.65% from 2012, accounted for 49.53% of services income.

■ **Selling and Administrative expenses**

In 2012, the Company had selling and administrative expenses of Baht 177.76 million, increased Baht 12.68 million or increased 7.68% from 2011, which had selling and administrative expenses of Baht 165.08 million. The selling and administrative expenses of 2012 accounted for 44.12% of total revenues, which is the same level as 44.53% of 2011.

In 2013, the Company had selling and administrative expenses of Baht 117.33 million, decreased Baht 60.43 million or 34.00% from 2012, which accounted for 20.04% of total revenues. This is due to the efficient cost management.

■ **Net profit**

In 2012, the Company had net profit of Baht 23.38 million, increased Baht 6.17 million or 35.85% from 2011, which had net profit Baht 17.21 million. Net profit of 2012 can be divided into net profit attributable to the owners of the parent of Baht 31.22 million and non-controlling interests of Baht 0.18 million.

In 2013, the Company had net profit of Baht 290.95 million, increased Baht 267.57 million or 1,144.44% from 2012 due to the efficiency cost management. Net profit of 2013 can be divided into net profit attributable to the owners of the parent of Baht 294.14 million and non-controlling interests of Baht (0.19) million.

Financial Status

■ **Assets**

As at the end of 2012, the Company had total assets of Baht 1,124.69 million, increased Baht 79.78 million or 7.64% from at the end of 2011, which had total assets of Baht 1,044.91 million, consisting of the increase of current assets of Baht 54.55 million or 32.45% mainly from the increased cash and cash equivalent of Baht 62.63 million. The Company also had the increased non-current assets of Baht 25.23 million or 2.88%, mainly from the increase of billboards recorded in fixed assets of Baht 73.65 million.

As at the end of 2013, the Company had total assets of Baht 1,547.24 million consisting of the increase of current assets of Baht 354.21 million or 159.10% mainly due to the increase of cash and cash equivalent of Baht 382.60 million. The Company also had the increased non-current assets of Baht 68.34 million or 7.58%, mainly from the increased investment in associated company of Baht 30.08 million and the increase of billboards recorded in fixed assets of Baht 62.48 million.

■ **Liabilities**

As at the end of 2012, the Company had total liabilities of Baht 198.42 million, increased Baht 56.40 million or 39.71% from at the end of 2011, which had total liabilities of Baht 142.02 million, mainly from the increase of current liabilities of Baht 34.53 million or 61.19% as a result of the increase of current portion of long-term loans of Baht 23.44 million. The Company also had the increase of non-current assets of Baht 21.87 million or 25.55%, mainly from the increase of long-term loans from the financial institutions of Baht 21.76 million in order to invest in advertising billboards.

As at the end of 2013, the Company had total liabilities of Baht 213.42 million, increased Baht 15 million or 7.56% from at the end of 2012. This is due to the increase of current liabilities of Baht 4.90 million or 5.39%, mainly from the increase of current portion of long-term loan of Baht 19.13 million. The Company also had the increase of non-current assets of Baht 10.10 million or 9.40%, mainly from the increase of long-term loans from the financial institutions of Baht 12.02 million in order to invest in advertising billboards.

■ **Shareholders' Equity**

At the end of 2012, the Company had shareholders' equity of Baht 926.27 million, increased Baht 23.38 million or 2.59% from at the end of 2011. This divided into total equity of the Company of Baht 921.57 million and non-controlling interest of Baht 4.70 million.

As at the end of 2013, the Company had shareholders' equity of Baht 1,333.82 million, increased Baht 407.55 million or 44.00% from the end of 2012. This divided into total equity of the Company of Baht 1,224.41 million and non-controlling interest of Baht 109.42 million.

Liquidity

■ **Cash flow**

In 2012, the Company had net increase in cash and cash equivalent of Baht 78.42 million, consisting of the increase in net cash flow from operation of Baht 51.96 million and the increase in net cash flow from financing activities of Baht 58.40 million. However, the Company had the decrease in net cash flow from investing activities of Baht 31.94 million.

In 2013, the Company had net increase in cash and cash equivalent of Baht 319.99 million, consisting of the increase in net cash flow from operation of Baht 8.91 million and the increase in net cash flow from investing activities of Baht 340.55 million. However, the Company had the decrease in net cash flow from financing activities of Baht (29.47) million.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
AQUA CORPORATION PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated financial statements of Aqua Corporation Public Company Limited and its subsidiaries and the separate financial statements of Aqua Corporation Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2013, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

INDEPENDENT AUDITOR'S REPORT (Con't) -2-**Opinion**

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Aqua Corporation Public Company Limited and its subsidiaries and of Aqua Corporation Public Company Limited as at December 31, 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Notes 4 and 5 to the financial information regarding the change in accounting policy resulting from the adoption of Thai Accounting Standard 12, "Income Tax". My conclusion is not qualified in respect of this matter.



(Chaovana Viwatpanachati)

Certified Public Accountant (Thailand) No. 4712

OFFICE OF PITISEVI CO., LTD.

8/4 Floor 1st, 3rd Soi Viphavadee Rangsit 44,
Chatuchak, Bangkok

February 19, 2014

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

		Unit : Baht					
		Consolidated			Separate		
		December 31, 2013	December 31, 2012	January 1, 2012	December 31, 2013	December 31, 2012	January 1, 2012
<u>ASSETS</u>	Note	(Restated)	(Restated)		(Restated)	(Restated)	
CURRENT ASSETS							
Cash and cash equivalents	7	456,830,794.13	74,225,678.29	11,603,785.29	323,868,406.52	18,341,634.50	653,867.13
Temporary investments		1,900.00	2,430.00	1,450.00	1,900.00	2,430.00	1,450.00
Trade accounts and other receivable - net	6,2,8	105,261,537.95	129,428,534.85	125,858,640.48	23,452,343.30	17,051,725.36	3,749,003.31
Inventories - net	9	405,673.70	10,696,262.29	17,045,366.93	-	-	-
Current portion of hire-purchase/financial lease contract receivables and loans	10	1,947,610.25	1,402,366.93	2,848,737.60	1,947,610.25	1,402,366.93	2,350,262.07
Current portion of long-term loan to other person		549,051.03	308,097.16	278,866.20	-	-	-
Current portion of granting right contract receivable	11	6,020,826.67	1,817,600.14	772,052.14	6,020,826.67	1,817,600.14	772,052.14
Other current assets		5,822,089.21	4,747,154.45	9,671,045.14	3,178,678.18	2,351,742.19	1,791,539.95
Non-current assets held for sale	12	-	-	-	34,986,584.08	-	-
Total current assets		576,839,482.94	222,628,124.11	168,079,943.78	393,456,349.00	40,967,499.12	9,318,174.60
NON-CURRENT ASSETS							
Deposits at financial institutions pledged as collaterals	13	18,530,772.52	13,851,246.52	14,767,736.50	97,400.00	97,400.00	5,149,826.71
Hire-purchase/financial lease contract receivables and loans - net	10	1,512,797.81	3,852,340.52	4,561,799.08	1,512,797.81	3,852,340.52	4,561,799.08
Granting right contract receivable - net	11	-	15,264,951.32	17,048,963.21	-	15,264,951.32	17,048,963.21
Long-term loans to other person - net		9,450.93	349,809.77	657,906.93	-	-	-
Investments in subsidiaries	14	-	-	-	324,034,715.01	437,600,719.53	437,600,719.53
Investment in associated company	14	470,959,269.59	440,877,392.15	434,728,205.02	449,636,537.01	449,636,537.01	449,636,537.01
Other long-term investments	15	30,900,000.00	30,900,000.00	69,180,982.00	29,900,000.00	29,900,000.00	69,180,982.00
Advance payment for share subscription - net	16	-	-	-	-	-	-
Investment in right for claim - net	17	-	-	-	-	-	-
Property, plant and equipment - net	18	370,912,263.65	308,434,094.85	234,777,134.31	27,230,097.62	62,895,577.93	61,734,588.76
Deferred tax assets	4,19	67,338,351.60	80,087,657.91	88,108,409.58	55,700,381.48	62,452,006.44	68,938,278.27
Other non-current assets		10,238,915.91	8,445,826.00	12,999,323.07	2,873,093.25	823,647.59	691,622.61
Total non-current assets		970,401,822.01	902,063,319.04	876,830,459.70	890,985,022.18	1,062,523,180.34	1,114,543,317.18
TOTAL ASSETS		1,547,241,304.95	1,124,691,443.15	1,044,910,403.48	1,284,441,371.18	1,103,490,679.46	1,123,861,491.78

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT DECEMBER 31, 2013

Unit : Baht

	Note	Consolidated			Separate		
		December 31, 2013	December 31, 2012	January 1, 2012	December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)		(Restated)	(Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES							
Bank overdrafts	20	5,457,012.77	10,984,527.68	1,126,030.29	-	-	1,126,030.29
Trade accounts and other payable	6.2,21	41,983,133.09	49,593,663.28	46,163,079.71	13,780,221.50	13,987,096.06	2,852,620.81
Short-term loans from related companies							
and other company	6.2	-	-	-	47,232,717.01	162,117,609.12	168,339,805.92
Current portion of liabilities under							
lease contracts	6.2,22	881,495.47	2,397,843.76	3,387,855.93	881,495.47	2,397,843.76	3,387,855.93
Current portion of long-term loans from							
financial institution	23	45,456,246.25	26,329,265.63	2,886,497.22	-	-	-
Accrued corporate income tax		1,141,210.93	521,685.99	1,420,597.98	-	-	-
Other current liabilities		935,949.92	1,134,675.21	1,447,922.58	491,495.53	422,134.65	398,418.72
Total current liabilities		95,855,048.43	90,961,661.55	56,431,983.71	62,385,929.51	178,924,683.59	176,104,731.67
NON – CURRENT LIABILITIES							
Long-term loans from financial							
institution - net	23	95,227,959.65	83,213,416.39	61,405,414.77	-	-	37,805,708.73
Liabilities under lease contracts - net	6.2,22	439,830.68	1,822,314.87	3,755,392.47	439,830.68	1,822,314.87	3,755,392.47
Employee benefit obligations	24	4,272,738.00	7,060,447.00	6,678,731.00	3,094,277.00	2,450,046.00	2,809,486.00
Other non-current liabilities	6.2	17,621,782.68	15,362,718.63	13,748,368.00	771,106.66	1,259,901.17	1,162,502.75
Total non-current liabilities		117,562,311.01	107,458,896.89	85,587,906.24	4,305,214.34	5,532,262.04	45,533,089.95
TOTAL LIABILITIES		213,417,359.44	198,420,558.44	142,019,889.95	66,691,143.85	184,456,945.63	221,637,821.62
SHAREHOLDERS' EQUITY							
Share capital	25						
Authorized share capital							
3,971,255,452 common shares of Baht 0.50 each in 2013							
2,471,255,452 common shares of Baht 0.50 each in 2012							
Issued and fully paid-up share capital		1,985,627,726.00	1,235,627,726.00	1,235,627,726.00	1,985,627,726.00	1,235,627,726.00	1,235,627,726.00
1,797,845,670 common shares of Baht 0.50 each		898,922,835.00	898,922,835.00	898,922,835.00	898,922,835.00	898,922,835.00	898,922,835.00
Share premium		27,061,566.36	27,061,566.36	27,061,566.36	27,061,566.36	27,061,566.36	27,061,566.36
Retained earnings (Deficit)		305,485,091.20	11,302,424.18	(11,898,312.47)	291,765,825.97	(6,950,667.53)	(23,760,731.20)
Other components of shareholders' equity		(7,061,991.32)	(15,719,249.20)	(15,719,249.20)	-	-	-
Total equity of the Company		1,224,407,501.24	921,567,576.34	898,366,839.69	1,217,750,227.33	919,033,733.83	902,223,670.16
Non-controlling interests		109,416,444.27	4,703,308.37	4,523,673.84	-	-	-
Total shareholders' equity		1,333,823,945.51	926,270,884.71	902,890,513.53	1,217,750,227.33	919,033,733.83	902,223,670.16
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,547,241,304.95	1,124,691,443.15	1,044,910,403.48	1,284,441,371.18	1,103,490,679.46	1,123,861,491.78

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
		2013	2012	2013	2012
			(Restated)		(Restated)
Note					
CONTINUING OPERATIONS					
REVENUES					
	Sales income	6.1	27,500,007.99	36,866,550.52	-
	Proceeds from services		369,560,586.78	354,417,519.44	-
	Hire-purchase interest income	6.1	4,077,515.32	1,533,116.29	4,073,996.76
	Dividend income	6.1	-	-	74,300,073.03
	Gain on disposal of investment		173,381,285.98	-	173,381,285.98
	Gain on disposal of fixed assets	6.1	473,471.39	-	-
	Management fees income	6.1	50,000.00	-	15,013,942.90
	Others income	6.1	10,496,713.88	10,126,085.58	10,660,231.42
	TOTAL REVENUES		585,539,581.34	402,943,271.83	277,429,530.09
EXPENSES					
	Cost of sales		18,650,105.83	31,745,844.27	-
	Cost of services	6.1	183,038,333.23	174,912,019.54	-
	Selling expenses		28,078,224.79	38,015,004.73	-
	Administrative expenses	6.1	80,314,181.06	139,735,621.45	(1,024,952.59)
	Loss from debt restructuring and investment in right for claim	11,17	8,943,781.53	-	5,504,649.41
	TOTAL EXPENSES		319,024,626.44	384,408,489.99	4,479,696.82
PROFIT BEFORE SHARE OF PROFIT ON INVESTMENT IN ASSOCIATED COMPANY, FINANCE COST AND INCOME TAX					
	Share of profit on investment in associated company		57,655,732.77	29,320,494.13	-
PROFIT BEFORE FINANCE COST AND INCOME TAX					
	Finance cost	6.1	(11,761,764.98)	(9,348,753.99)	(8,305,849.01)
PROFIT BEFORE INCOME TAX					
	Income tax (expense) income	12,19	(21,464,222.20)	(15,126,136.62)	(6,793,889.13)
NET PROFIT FOR THE YEAR					
	Other comprehensive income - net of tax		-	-	-
COMPREHENSIVE INCOME FROM CONTINUING OPERATION					
	Discontinued operations				
	Profit (loss) from discontinued operation for the year	12	-	-	40,866,398.37
TOTAL COMPREHENSIVE INCOME FOR THE YEAR					

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Note			(Restated)		(Restated)
NET PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the parent					
	Profit (loss) from continuing operations	-	-	257,850,095.13	24,325,900.78
	Profit (loss) from discontinued operations	-	-	40,866,398.37	(7,515,837.11)
	Owners of the parent	291,140,283.92	23,200,736.65	298,716,493.50	16,810,063.67
	Non-controlling interests	(195,583.43)	179,648.71		
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		290,944,700.49	23,380,385.36		
COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Owners of the parent					
	Non-controlling interests	(195,583.43)	179,648.71		
COMPREHENSIVE INCOME FOR THE YEAR		290,944,700.49	23,380,385.36		
BASIC EARNINGS PER SHARE					
		27			
EARNINGS PER SHARE (BAHT : SHARES)					
	Earnings per share (Equity holders of the parent company)	0.1619	0.0129	0.1662	0.0094

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht								
Consolidated								
		Share capital			Other components of shareholders' equity	Equity attributable		
		Issued and paid-up share capital	Share premium	Retained earnings (Deficit)	Surplus from change in equity interest	to shareholders' equity	Non-controlling interests	Total
Note								
Beginning balance as at January 1, 2012 (Before adjustment)		898,922,835.00	27,061,566.36	(100,006,722.05)	(15,719,249.20)	810,258,430.11	4,523,673.84	814,782,103.95
Cumulative effect of change in accounting policy	4,19	-	-	88,108,409.58	-	88,108,409.58	-	88,108,409.58
Beginning balance as at January 1, 2012 (After adjustment)		898,922,835.00	27,061,566.36	(11,898,312.47)	(15,719,249.20)	898,366,839.69	4,523,673.84	902,890,513.53
Comprehensive income (loss) for the year		-	-	23,200,736.65	-	23,200,736.65	179,648.71	23,380,385.36
Dividend of non - controlling interests		-	-	-	-	-	(14.18)	(14.18)
Ending balance as at December 31, 2012		898,922,835.00	27,061,566.36	11,302,424.18	(15,719,249.20)	921,567,576.34	4,703,308.37	926,270,884.71
Beginning balance as at January 1, 2013 (Before adjustment)		898,922,835.00	27,061,566.36	(68,791,603.99)	(15,719,249.20)	841,473,548.17	4,709,678.63	846,183,226.80
Cumulative effect of change in accounting policy	4,19	-	-	80,094,028.17	-	80,094,028.17	(6,370.26)	80,087,657.91
Beginning balance as at January 1, 2013 (After adjustment)		898,922,835.00	27,061,566.36	11,302,424.18	(15,719,249.20)	921,567,576.34	4,703,308.37	926,270,884.71
Comprehensive income (loss) for the year		-	-	291,140,283.92	-	291,140,283.92	(195,583.43)	290,944,700.49
Change in equity interest		-	-	-	8,657,257.88	8,657,257.88	104,908,746.64	113,566,004.52
Reverse cumulative effect of change in accounting policy from disposal of subsidiary		-	-	3,042,383.10	-	3,042,383.10	-	3,042,383.10
Dividend of non - controlling interests		-	-	-	-	-	(27.31)	(27.31)
Ending balance as at December 31, 2013		898,922,835.00	27,061,566.36	305,485,091.20	(7,061,991.32)	1,224,407,501.24	109,416,444.27	1,333,823,945.51

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht				
Separate				
Note	Share capital	Share premium		Total
	Issued and paid-up share capital	Share premium	Retained earnings (Deficit)	
Beginning balance as at January 1, 2012 (Before adjustment)	898,922,835.00	27,061,566.36	(92,699,009.47)	833,285,391.89
Cumulative effect of change in accounting policy	4,19	-	-	68,938,278.27
Beginning balance as at January 1, 2012 (After adjustment)	898,922,835.00	27,061,566.36	(23,760,731.20)	902,223,670.16
Comprehensive income for the year	-	-	16,810,063.67	16,810,063.67
Ending balance as at December 31, 2012	898,922,835.00	27,061,566.36	(6,950,667.53)	919,033,733.83
Beginning balance as at January 1, 2013 (Before adjustment)	898,922,835.00	27,061,566.36	(69,402,673.97)	856,581,727.39
Cumulative effect of change in accounting policy	4,19	-	-	62,452,006.44
Beginning balance as at January 1, 2013 (After adjustment)	898,922,835.00	27,061,566.36	(6,950,667.53)	919,033,733.83
Comprehensive income for the year	-	-	298,716,493.50	298,716,493.50
Ending balance as at December 31, 2013	898,922,835.00	27,061,566.36	291,765,825.97	1,217,750,227.33

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht

Note	Consolidated		Separate	
	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Continuing operations before income tax	312,408,922.69	38,506,521.98	264,643,984.26	30,781,431.89
Profit (loss) from discontinued operation before income tax	12	-	40,824,134.20	(7,485,096.38)
Reconciliations of net profit (loss) to net cash provided				
by (used in) operating activities :				
Depreciation and amortization expense	18	56,445,364.70	47,320,275.19	10,451,927.51
Allowances for doubtful accounts/bad debts		35,175,122.83	9,939,520.72	31,298,698.15
Doubtful account (reverse)		(59,344,615.01)	(21,817,179.05)	(49,367,885.36)
Allowances for inventories (reverse)	9	(7,500,000.00)	(2,681,362.25)	-
(Gain) Loss from disposal of fixed assets and decommissioning costs		(40,056,591.96)	10,191,236.22	(39,139,275.08)
(Gain) Loss on change in the value of current investment		530.00	(980.00)	530.00
Loss on impairment of investment		-	37,500,000.00	-
(Gain) Loss from disposal of investment	14,15	(133,938,902.88)	2,436,796.00	(135,881,285.98)
Recovery from loss on	15	(37,500,000.00)	(2,436,796.00)	(37,500,000.00)
Loss on impairment of prepaid - real estate under to buy and to sales agreement (recovery)	11,17	8,943,781.53	-	5,504,649.41
Employee retirement benefit expenses		(2,787,709.00)	381,716.00	644,231.00
Provision for decommissioning costs		942,115.89	818,695.51	(54,970.22)
Share of profit on investment in associated company		(57,655,732.77)	(29,320,494.13)	-
Dividend income		-	-	(74,300,073.03)
Interest income		(4,006,504.48)	(1,526,906.29)	(1,156,747.98)
Interest expenses		11,652,925.70	9,348,753.99	8,197,009.73
Profit (loss) from operating activities before change in operating assets and liabilities		82,778,707.24	98,659,797.89	24,164,926.61
Operating assets (increase) decrease				
Trade accounts and other receivable		24,608,327.41	(3,332,255.97)	(6,210,946.34)
Inventories		17,790,588.59	9,030,466.89	-
Finance lease contract receivables		19,962,911.25	14,055,849.16	19,576,479.53
Granting right contract receivable		5,844,882.45	738,463.89	5,844,882.45
Other current assets		(1,074,934.74)	3,779,463.94	(826,935.99)
Non - other current assets		1,514,818.63	8,196,786.71	54,923.76
Operating liabilities increase (decrease)				
Trade accounts and other payable		(7,680,697.89)	3,646,261.77	(311,135.75)
Other current liabilities		(198,725.32)	(313,247.37)	69,360.88
Non current - other liabilities		5,200.00	1,806.66	5,200.00

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (Cont.)

FOR THE YEAR ENDED DECEMBER 31, 2013

		Unit : Baht			
		Consolidated		Separate	
Note		2013	2012	2013	2012
Cash provided (used in) by operating activities		143,551,077.62	134,463,393.57	42,366,755.15	26,538,518.81
	Interest paid	(11,582,758.00)	(9,824,432.19)	(8,092,748.54)	(12,921,136.59)
	Income tax paid	(8,930,923.77)	(10,503,159.83)	(2,114,011.29)	(2,261,644.48)
Net cash provided (used in) by operating activities		123,037,395.85	114,135,801.55	32,159,995.32	11,355,737.74
CASH FLOWS FROM INVESTING ACTIVITIES					
	Deposits at financial institutions pledged as collateral decrease (increase)	(4,679,526.00)	916,489.98	-	5,052,426.71
14,15	Cash received for disposal of long-term investment	288,047,290.50	780,982.00	286,947,290.50	1,780,982.00
	Cash paid for long-term investment	-	-	-	-
	Cash received for disposal of fixed assets	95,583,961.53	1,682,116.06	77,583,501.88	77,850.00
18	Cash paid for acquisition of fixed assets	(173,111,530.62)	(132,056,739.54)	(48,646,640.50)	(11,783,899.70)
	Long-term loan to other person decrease	99,404.97	278,866.20	-	-
	Interest received	3,339,115.10	1,526,906.29	966,276.38	204,927.35
	Dividend of non-controlling interests	(27.31)	(14.18)	-	-
	Dividend received	27,573,855.33	23,171,307.00	74,300,073.03	59,076,768.86
Net cash provided (used in) by investing activities		236,852,543.50	(103,700,086.19)	391,150,501.29	54,409,055.22
CASH FLOWS FROM FINANCING ACTIVITIES					
	Bank overdrafts increase (decrease)	(5,527,514.91)	9,858,497.39	-	(1,126,030.29)
	Short-term loans from Subsidiary	-	-	(114,884,892.11)	(6,222,196.80)
	Long-term loan from financial institution (decrease)	69,600,000.00	122,669,300.06	-	-
	Repayment of long-term loans from financial institutions	(38,458,476.12)	(77,418,530.03)	-	(37,805,708.73)
	Repayments of liabilities under financial lease and hire-purchase contract	(2,898,832.48)	(2,923,089.78)	(2,898,832.48)	(2,923,089.77)
Net cash provided (used in) by financing activities		22,715,176.49	52,186,177.64	(117,783,724.59)	(48,077,025.59)
Net cash and cash equivalent increase (decrease)		382,605,115.84	62,621,893.00	305,526,772.02	17,687,767.37
Cash and cash equivalent as at beginning balance		74,225,678.29	11,603,785.29	18,341,634.50	653,867.13
Cash and cash equivalent as at ending balance		456,830,794.13	74,225,678.29	323,868,406.52	18,341,634.50
Supplemental disclosures of cash flows information					
1. Unutilized credit facilities for future working capital					
	(Unit : Thousand Baht)	21,543	19,015	-	-

AQUA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****DECEMBER 31, 2013****1. GENERAL INFORMATION**

Aqua Corporation Public Company Limited (Former Name : P Plus P Public Company Limited) hereinafter referred to as "the Company" which is a public company incorporated and domiciled in Thailand on April 20, 2004, registration No.0107547000397. The Company's registered address is 121/68-69, Ratchadapisek Road, Dindaeng, Bangkok. The Company's principal activities are providing rental space for advertising signage and sales and hire-purchase of electronic equipment, mobile phones, motorcycles, cars and other goods.

The Company and its subsidiaries are incorporated in Thailand.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**2.1 Basis of preparation of financial statements**

The statutory financial statements are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions under The Royal Patronage of His Majesty the King ("FAP") and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (1992).

The consolidated and separate financial statements have been presented in accordance with Thai Accounting Standard No. 1 (Revised 2009) subject : "Presentation of Financial Statements" and the requirements of The Department of Business Development announcement subject : "The mandatory items, have to be presented in the financial statements, B.E. 2554" date September 28, 2011 under the Accounting Act B.E. 2543.

The consolidated and separate financial statements are presented in Thai Baht, rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont.)

2.2 Basis of preparation of consolidated financial statements

Subsidiaries undertaking are defined as those companies which the parent company in the Group directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the financial and operating policies including potential voting rights that are presently exercisable or presently convertible.

The consolidated financial statements included the financial statements of Aqua Corporation Public Company Limited and its subsidiaries as follows :

	Percentage directly and indirectly owned by the Company		Assets as a percentage to the Consolidated total assets		Revenues as a percentage to the Consolidated total revenues	
	2013	2012	2013	2012	2013	2012
<u>Subsidiaries</u>						
Aqua Ad Public Company Limited *	73.99	99.99	38.71	43.76	56.76	77.53
Mantra Assets Company Limited	99.99	99.99	1.25	0.20	0.12	0.36
<u>Subsidiaries held through Aqua Ad Public Company Limited</u>						
Aqua Media 360 Company Limited	50.99	50.99	1.42	1.22	0.08	0.25
Pen Publishing Company Limited	-	99.99	-	5.53	11.67	15.36
Media Planner Consultant Company Limited **	-	-	-	-	-	0.91
Aqua Point Company Limited ***	-	-	-	-	-	2.47

* The Company has partly disposed investment in subsidiary in the forth quarter for the year 2013 (See Note 14 to financial statement).

** In the forth quarter of 2013, at the Board of Directors' meeting of a subsidiary No. 5/2013 on November 11, 2013, it was resolved to disperse investment in Pen Publishing Co., Ltd. in total of 639,998 shares to other party at Baht 1.718 per share amounting to Baht 1.10 million generating loss from disposal of investment of Baht 16.90 million presented in Statement of comprehensive income.

*** In the third quarter of 2012, at the Board of Directors' meeting of a subsidiary No. 5/2012 on August 10, 2012, it was resolved to dispose investment in Media Planner Consultant Co., Ltd. in total of 99,998 shares to other party at Baht 13.00 per share amounting to Baht 1.30 million generating gain from disposal of Baht 0.30 million presented in profit or loss.

**** In the third quarter of 2012, At the Board of Directors' meeting of a subsidiary No. 5/2012 held on August 10, 2012 it was approved to dispose investment in Aqua Point Co., Ltd. Which empowered the Board of Executive Directors to consider and dispose such investment. Subsequently, at the Board of Executive Directors' meeting of a subsidiary No. 6/2012 held on September 27, 2012, it was considered and approved to dispose the investment in total of 99,997 shares to other party at Baht 25 per share amounting to Baht 2.50 million generating loss from disposal of investment of Baht 7.50 million presented in profit or loss.

The financial statements of these companies have been consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of such control ceases.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Cont.)

Investment in associate is accounted for using the equity method and is recognised initially at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investee from the date that significant influence incurs until the date that significant influence ceases.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The financial statements of the subsidiaries and associate are prepared for the same reporting period as the parent company, using consistent significant accounting policies.

Material balances and transactions between the Company and its subsidiarys, and investments in subsidiarys by the Company and non-controlling interests of the subsidiarys have been eliminated from the consolidated financial statements.

Non-controlling interests represent the portion of income or loss and net assets that is not held by the Company and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

2.3 Basis of preparation of separate financial statements

The separate financial statements, which present investments in subsidiarys presented under the cost method have been prepared solely for the benefit of the public.

3. NEW THAI ACCOUNTING STANDARDS ANNOUNCE DURING THE YEAR NOT YET ADOPTED

3.1 Adoption of new accounting standards effective in the current year

In current year, the Company and its subsidiarys have applied revised and newly issued Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (SIC) and Accounting Treatment Guidance as announced by the Federation of Accounting Professions as follows:-

Thai Accounting Standards

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

3. NEW THAI ACCOUNTING STANDARDS ANNOUNCE DURING THE YEAR NOT YET ADOPTED (Cont.)

Thai Financial Reporting Standard

TFRS 8

Operating Segments Interpretations

Interpretations

SIC 10

Government Assistance - No Specific Relation to
Operating Activities

SIC 21

Income Taxes - Recovery of Revalued Non-Depreciable
Assets

SIC 25

Income Taxes - Changes in the Tax Status of an Entity
or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

The above-mentioned Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (SIC) and Accounting Treatment Guidance do not have any significant impact on the Company's financial statements in this year of initial application except the following accounting standards and Thai Financial Reporting Standard which the Company and its subsidiaries have applied the standard from January 1, 2013 consist of:-

TAS 12

This accounting standard requires an entity to identify temporary differences arising from differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines. In current period, the Company and its subsidiaries have changed this accounting policy and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognized the tax effects as deferred tax assets or liabilities. The cumulative effect of first adoption of new accounting standard as disclosed in Note 4 to the financial statements.

TFRS 8

This accounting standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The change in policy only impacts presentational aspects and has no impact on the Company(s) and its subsidiary's(ies') reported assets, liabilities, results or earnings per share.

The Company and its subsidiaries consider their reportable segments to be the major lines of business, there is no significant change to the information previously reported as disclosed in Note 30 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

3.2 New Thai Accounting Standards announce during the year not yet adopted

The Federation of Accounting Professions has issued Notification regarding the revised and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (SIC and TFRIC) which was announced and these have been published in the Royal Gazette and which will become effective for the financial statements for the fiscal years beginning on or after January 1, 2014 and 2016. The Company and its subsidiaries have not applied such standards before the effective period as follows:

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2014

Thai Accounting Standards

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible assets

Thai Financial Reporting Standard

TFRS 2 (revised 2012)	Share-Based Payments
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Interpretations

SIC 15	Operating Leases – Incentives
SIC 27	Evaluating the Substance of Transactions in the Legal Form of a Lease
SIC 29	Service Concession Arrangements: Disclosures
SIC 32	Intangible Assets – Web Site Costs
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

3. NEW THAI ACCOUNTING STANDARDS ANNOUNCE DURING THE YEAR NOT YET ADOPTED (Cont.)

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2014 (Cont)

TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

3.2.2 Effective for the financial statements for fiscal years beginning on or after January 1, 2016

Thai Financial Reporting Standard	
TFRS 4	Insurance Contracts

The management of the Company and its subsidiaries are still evaluating the effect of these 31 Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (SIC and TFRIC) and has not been able to reach a conclusion as to their effect to the financial statements for the year in which they are applied except the following standards :

TAS 1 (Revise 2012)

This accounting standard clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This standard has no impact to the Company and its subsidiaries.

TAS 7 (Revise 2012)

This accounting standard clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. This standard has no impact to the Company and its subsidiaries.

TAS 12 (Revise 2012)

This accounting standard amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated into TAS 12 (revised 2012). This standard has no impact to the Company and its subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

TAS 18 (Revise 2012)

This accounting standard removes the appendix to TAS 18. This standard has no impact to the Company and its subsidiaries.

TAS 19 (Revise 2012)

This accounting standard deletes the transition provisions of the current TAS 19. This standard has no impact to the Company and its subsidiaries.

TAS 34 (Revise 2012)

This accounting standard emphasizes the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. This standard has no impact to the Company and its subsidiaries.

TFRS 8 (Revise 2012)

This financial reporting standard clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This standard has no impact to the Company and its subsidiaries.

TRIC 1

TRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate.

4. EFFECT FROM FIRST TIME ADOPTION OF FINANCIAL REPORTING STANDARD

From January 1, 2013, the Company and its subsidiaries have adopted revised and newly accounting standard as disclosed in Note 19 to the financial statements. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarized as follows:

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

Adjustment of financial statements

	Unit : Thousand Baht					
	Consolidated			Separate		
	Dec 31,	Dec 31,	Jan 1,	Dec 31,	Dec 31,	Jan 1,
	2013	2012	2012	2013	2012	2012
		(Restated)	(Restated)		(Restated)	(Restated)
Statement of Financial Position						
Deferred tax assets - increase	67,338	80,088	88,109	55,700	62,452	68,938
Deficit - Unappropriated decrease	67,338	80,088	88,109	55,700	62,452	68,938

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
		(Restated)		(Restated)
Statement of income				
Income tax expenses (income) - increase (decrease)	12,750	8,021	6,752	6,486
Net income (loss) for the period - increase (decrease)	(12,750)	(8,021)	(6,752)	(6,486)
Basic earnings per share - increase (decrease)	(0.0071)	(0.0045)	(0.0038)	(0.0036)

5. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

5.1 Recognition of revenues

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow the enterprise and the amount of the revenue can be measured reliably.

Sale of goods and services rendered

Sales of goods are recognized when goods are delivered and significant risks and rewards of ownership are transferred to customers.

Service income represent service income from rental of space for advertising signage, procurement of space, and the production and installation of advertising media and are recognized when services have been rendered taking into account the stage completion.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**5. SIGNIFICANT ACCOUNTING POLICIES** (Cont)

Production on television income from providing services of advertising and public relation will be recognized as income when the services are on air.

Exhibition services are recognized as income when services have been completed percentage of work and rendered.

Revenue from hire purchase contracts

In recognizing revenue from hire purchase contracts, the Company and its subsidiary recognize profit on differences between the cash sales price and the cost of the goods as income in full in the year the hire purchase agreement is executed and they received the first installment, and recognize the interest element (which represents the difference between the cash price and the hire purchase price) over the period of payment, using the sum-of-the-digits method and recognized income from hire purchase agreement incurred since January 1, 2008 at effective interest rate method based on each hire purchase agreement period, with interest income recognized when the installments fall due irrespective of when actual collection is made. Recognition of interest income ceases for hire purchase receivables which are overdue by more than 3 installments.

Revenue from investment in right for claim

Interest income from investment in right for claim is calculated using the effective rate method, applied to the aggregate actual cash inflows. The effective interest rate was determined on the basis of assumptions as to the amount and the timing of future collections on such loans. Such assumptions concern events that have not yet taken place and results accordingly vary if circumstances arise which were not foreseen. □

Income on financial leases

Interest income on financial leases is recognized as income over the period of payment, using the effective rate method, with income recognized when the installments fall due irrespective of when actual collection is made. Recognition of interest income ceases for finance lease receivables which are overdue by more than 3 installments.

Revenue from installment sales

The Company recognized revenue from installment sales at the date of sale, exclusive of interest. The sales price is the present value of the consideration, determined by discounting the installments receivable at the imputed rate of interest. The interest element is recognized as income on a time proportion basis, using the effective interest method.

Interest and dividend income

Interest income is recognized on a time proportion basis that takes into account of the effective yield on the assets.

Dividend received is recognized when the right to receive the dividends is established.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

5. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

5.2 Cash and cash equivalents

Cash and cash equivalent consist of cash on hand, bank deposits, and all highly liquid investments with financial institution with an original maturities of 3 month or less, which are not restricted to any use and including call notes receivable and term notes receivable maturing within 3 months or less and not subject to withdrawal restrictions.

Time deposits with maturity exceed three-month period but less than twelve-month period are recorded as current investment (if any).

5.3 Cash at bank held as collateral

Cash at bank that have restricted in use are presented separately as "Deposits at bank held as collateral" under non-current assets in the statement of financial position.

5.4 Trade and other receivable, loans to and allowance for doubtful accounts

Trade and other receivable and loans to consist of hire purchase receivables and loans to employees. Hire purchase receivables are stated at the outstanding balances less unearned hire purchase income and allowance for doubtful accounts. Loans to employees are stated at the outstanding balance net allowance for doubtful accounts.

The Company and its subsidiaries set up an allowance for doubtful accounts based on the estimated collection losses that may incur in collection of receivables. The allowance is based on collection experience, analysis of debtor aging and review of the current financial status of receivables outstanding as the reporting date. The Company and its subsidiaries provide allowance for doubtful accounts based on use of the aging report as follows:

Aging		Rate on loans and hire purchase receivables Less deferred hire purchase interest (%)
Undue		1
Overdue		
1 - 2 months		2
3 - 6 months		25
7 - 12 months		50
Over 12 months		100

The Company and its subsidiary provided allowance for doubtful accounts for employee receivables by estimating the losses that may be incurred in these receivables on the basis of past experience. On this basis the Company and its subsidiary provided allowance for doubtful accounts for employee receivables at the rate of 75-100 percent of the outstanding balance.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

5. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

5.5 Inventories

Inventories are valued at the lower of cost or net realizable value, and is charged to vessel costs of goods sold whenever consumed.

Costs of inventories are valued by the following methods:

Magazine Specific identification cost method

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

The Company and its subsidiary provides allowance for obsolete inventories based on current status and aging of inventories.

5.6 Assets foreclosed

These represent assets repossessed from hire purchase receivables and employee receivables and are stated at the lower of cost (which mostly comprises the net outstanding balance) and estimated net realizable value. Allowance is made for the decline in value of the repossessed assets.

5.7 Investment in right for claim

Investment in right for claim represents investments in business credit and hire purchase credit is valued at cost, net of allowances for impairment.

5.8 Investment

5.8.1 Temporary investment in securities for sale

Temporary investment in marketable equity securities which are intended to be held for sale are presented at fair value. Unrealized gain or loss from adjusting the fair value of securities for sale are recognized as income or expense in the income statement.

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.

5.8.2 Investments in subsidiaries and associates in the separate financial statements are measured at cost net of impairment losses (if any).

5.8.3 Investments in associated companies included in the consolidated financial statements are accounted for by equity method.

5.8.4 Long-term investments in non-marketable securities held as "general investment" are valued at cost, net of allowance for impairment of investments. Impairment loss of all investments is charged against the Company's statements of income.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised as income or expenses in the income statement. If the Company disposes only part of the investment, the carrying value per share used to calculate the cost of the portion sold is determined using the weighted average method.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

5. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

5.9 Property, plant and equipment

Owned assets

Land is stated at cost less provision for impairment of assets (if any).

Plant and equipment are present at cost less from accumulated depreciation and net allowance for impairment loss (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

The Company and its subsidiaries when parts of an item of land, premises and equipment have different useful lives, they are accounted for as separate items (major components) of lands, premises and equipment.

Expenditure for additions, renewals and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

An item of property, plant 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

Leased assets

Leases in terms of which the Company and its subsidiaries substantially assume all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the balance of the liability. Finance charges are charged directly to the statement of comprehensive income. □

The Company and its subsidiaries calculate depreciation for all assets, after deducting residual value, on the straight-line basis over the estimated useful lives as follows:

Building and Condominium	20 years
Building improvements	5 years
Furniture, fixtures and office equipment	5 years
Motor vehicles and vehicles under long-term lease agreements	5 years
Billboard stands	6 - 10 years
Digital media billboard	5 years
Improvement and electricity of billboard stands	5 years

The Company and its subsidiaries no depreciation has been provided for land and assets under construction.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

5. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

5.10 Intangible assets and amortization

Intangible assets with definite useful lives are presented at historical cost net of accumulated amortization and net allowance for impairment (if any)

Intangible assets with finite lives are amortised on a systematic basis by the straight - line method, over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

Amortization is computed by the straight-line method over the asset economic useful life as the following rate:-

Software licenses	3 - 5 years
-------------------	-------------

5.11 Employee benefit obligations

5.11.1 Short - term employee benefit

Short - term employee benefit obligations, which include salary, wages, bonuses, contributions to the social security fund and provident fund, are measured on an undiscounted basis and are recognized as expenses when incurred.

5.11.2 Defined contribution plan

Obligations for contribution to defined contribution plan are recognized as an expense in profit statement of income as incurred.

5.11.3 Defined benefit plan

The retirement benefit is a defined benefit plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefit is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in comprehensive income or loss.

5.12 Provision

A provision is recognized in the statement of financial position when the Company and its subsidiaries have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

5. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

5.13 Transactions in foreign currencies

Transactions in foreign currencies are converted into Baht at the rates of exchange on the transactions date. Monetary assets liabilities denominated in foreign currencies at the reporting date are converted into Baht at the exchange rate on that date. Gain or losses on exchange rates are recognized as income or expense for the reporting period.

5.14 Income tax

Income tax is provided in the accounts of the amount expected to be paid to the taxation authorities which is calculated from net profit after adjust non taxable expenses and reserves.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**5. SIGNIFICANT ACCOUNTING POLICIES** (Cont.)

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

5.15 Earnings per share**Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the year less treasury shares.

Diluted earnings per share

Diluted earnings per share are calculated by net income for the years attributable to ordinary shareholders of the Company, by the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares.

5.16 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

5.17 Segment reporting

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**5. SIGNIFICANT ACCOUNTING POLICIES** (Cont.)**5.18 Financial instruments**

Financial assets carried on the statement of financial position include cash and cash equivalents, short-term investments, trade accounts receivable, Hire-purchase/financial lease contract receivables, granting right contract receivable, loans and deposits at financial institutions pledged as collateral to related parties and financial liabilities carried on the statement of financial position include bank overdrafts, trade accounts payable, long-term loans and liabilities under hire - purchase agreements. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

5.19 Impairment

The Company and its subsidiaries assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

The recoverable amount of assets is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized in profit or loss.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company and its subsidiaries estimate the asset's recoverable amount in which case and impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

5.20 Operating lease

where is the lessee

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense on straight-line method over the lease term.

where is the lessor

The Company and its subsidiaries present assets for lease under operating lease contract in the statement of financial position according to the nature of the assets. Income from operating lease is recognized as income over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**5. SIGNIFICANT ACCOUNTING POLICIES** (Cont.)

5.21 Finance lease

Finance lease are the leases in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company. At inception, the fair value of the leased assets is recorded together with the obligations after netting deferred interest. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest, finance charge, or depreciation are recognized in profit or loss.

5.22 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

Significant accounting judgments and estimates are as follow:

5.22.1 Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.22.2 Allowance for doubtful accounts

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

5.22.3 Allowance for obsolescence and diminution

Allowance for obsolescence and diminution in value of inventories are intended to adjust the value of inventories for probable losses. The management uses judgment to establish allowances for estimated losses for each outstanding inventories. The allowances for obsolescence and diminution in value of inventories are determined through a combination of analysis of inventories aging.

5.22.4 Impairment of investments

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

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**5. SIGNIFICANT ACCOUNTING POLICIES** (Cont.)

5.22.5 Property plant and equipment and Depreciation

In calculating depreciation on building and equipment, the management estimates useful lives and salvage values of the Company's building and equipment and reviews estimated useful lives and salvage values if there are any changes.

5.22.6 Impairment of assets

The management is required to review assets for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.22.7 Provision for employee benefit

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

5.22.8 Leases

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

5.22.9 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation and believes that no loss will result and therefore no contingent liabilities are recorded as at the end of reporting date. However, actual results could differ from the estimates.

5.22.10 Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be recognized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

6. RELATED PARTIES TRANSACTIONS

The Company has certain transactions with its subsidiaries and related parties. Part of assets, liabilities, income and expenses are incurred from such related transactions. These companies are related through common shareholdings and/or directorships as follows :

The related company	Relationship	Operation		Percentage of Holdings (%) (directly and indirectly)	
		Type of business	Location	2013	2012
Mantra Assets Company Limited	1	Sale and lease of electronic appliances and vehicles	Thai	99.99	99.99
Aqua Ad Public Company Limited	1	Structured billboard stand rental	Thai	73.99	99.99
Pen Publishing Company Limited	2	Production and sales of magazine, printing media, administration in advertising	Thai	-	99.99
Aqua Media 360 Company Limited	3	Production of TV program and selling aritime	Thai	50.99	50.99
Eastern Printing Public Company Limited	4	Printing business	Thai	44.15	44.96
General Engineering Public Company Limited	5	Manufacture of concrete products	Thai	-	-
Mida Leasing Public Company Limited	6	Car hire-purchase	Thai	-	-
Mida Assets Public Company Limited	7	Sale and lease of electronic appliances, mobile phones and vehicles and property development business	Thai	-	-

The nature of relationship between the Company and the related parties are as follows :

- 1 Subsidiary - Direct (held by the Company)
- 2 Subsidiary - Indirect (ended November 30, 2013) (held by Aqua Ad Plc.,)
- 3 Subsidiary - Indirect (held by Aqua Ad Plc.,)
- 4 Associated company
- 5 The major shareholder (ended August 14, 2013)
- 6 Having common shareholders
- 7 Being shareholder of the company and its director is the Company 's shareholder

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

6. RELATED PARTIES TRANSACTIONS (Cont.)

Pricing policy for each transaction are described as follows:

Type of transactions	Pricing policies
Management fees income	Contract Price
Sales income	Negotiated price which is approximate price charge to third party
Dividend income	Upon declaration
Other income	Contract Price
Billboard stands rental	Contract Price
Collection expenses and cost of vehicle sales	Contract Price
Management fees	Contract Price
Rental expense	Contract Price
Interest expense	5% p.a., MLR'K-Bank p.a. and MLR'TMB - 1% p.a.
Unearned interest	5% p.a.

6.1 The significant transactions with related parties for the year are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
<u>Subsidiaries</u>				
Management fees income	-	-	15,014	16,346
Others income	-	-	6,560	3,057
Dividend income	-	-	46,726	35,906
Gain on sale of fixed assets	-	-	42,239	-
Structured billboard stand rental	-	-	4,673	15,148
Promotion expenses	-	-	-	49
Interest expenses	-	-	7,964	9,803
<u>Associated company</u>				
Dividend income	-	-	27,574	23,171
Meeting expense	32	11	32	11
<u>Related companies</u>				
Sales income	1,561	1,515	-	-
Unearned interest	78	204	78	204
Collection expenses and cost of vehicle sales	4	130	3	93
Rental expense	231	225	171	171

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

6. RELATED PARTIES TRANSACTIONS (Cont.)

Management's benefit expenses

The Company and its subsidiaries had salaries, bonuses, social security contributions, contributions to provident fund, other welfare, and meeting allowances to their directors and management and retirement benefit recognized as expenses as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Short-term benefits	19,713	22,746	11,310	9,560
Post-employment benefits	1,048	481	743	208
Total	20,761	23,227	12,053	9,768

6.2 The outstanding balance of accounts with related companies for the year are as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Trade accounts receivable				
Related company	-	171	-	-
Other receivable				
Subsidiaries	-	-	5,448	1,383
Related company	-	34	-	34
Total	-	34	5,448	1,417
Trade accounts payable				
Subsidiaries	-	-	852	-
Associated company	-	252	-	-
Total	-	252	852	-
Other payable				
Subsidiaries	-	-	217	96
Related companies	5	7	-	2
Total	5	7	217	98

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

6. RELATED PARTIES TRANSACTIONS (Cont.)

		Unit : Thousand Baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Short – term loan - from					
Subsidiary		-	-	47,233	162,118
Liabilities under lease contracts					
Liabilities under lease contracts					
Current		-	1,126	-	1,126
Long - term		-	501	-	501
Total		-	1,627	-	1,627
Other non-current liabilities					
Subsidiary		-	-	764	764

The significant movements of short-term loans from subsidiaries during the year are as follows:

		Unit : Thousand Baht			
		Separate			
		2012	Increase	(Decrease)	2013
Short-term loans from subsidiaries					
Aqua Ad Plc., Ltd.		152,558	13,000	(118,325)	47,233
Mantra Assets Co., Ltd.		9,560	300	(9,860)	-
Total		162,118	13,300	(128,185)	47,233

Others

The Company has guaranteed a subsidiary's loan from bank (See Note 23 to the financial statements).

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of :-

		Unit : Thousand Baht			
		Consolidated		Separate	
		2013	2012	2013	2012
Cash		89	69	20	9
Deposits at banks - Savings account		36,688	30,314	8,119	4,671
- Current account		(3,440)	(222)	(3,765)	(338)
Fixed deposits 1 - 3 month		423,494	44,065	319,494	14,000
Total		456,831	74,226	323,868	18,342

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

8. TRADE ACCOUNTS AND OTHER RECEIVABLE - NET

Trade accounts and other receivable consist of :-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Trade accounts receivable – net				
Related company	-	171	-	-
Other companies	58,363	75,291	14,130	12,046
<u>Less</u> Allowance for doubtful accounts	(814)	(3,536)	(11)	(10)
Total - trade accounts receivable	57,549	71,926	14,119	12,036
Other receivable				
Prepaid rental	29,968	29,553	2,358	1,618
Current portion of structured billboard stand receivable	-	6,433	-	-
Prepaid expense	3,973	4,510	808	959
Advance payments	911	2,256	5,649	2,393
Deposits	103	414	8	16
Others	12,758	14,337	510	30
Total - other receivable	47,713	57,503	9,333	5,016
Grand total	105,262	129,429	23,452	17,052

The balances of trade accounts receivable classified by aging are as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Not yet due	46,815	58,126	12,629	9,709
Past due 1 - 3 months	8,963	8,915	1,360	2,018
Past due 4 - 6 months	1,147	4,585	119	299
Past due 7 - 12 months	1,124	600	22	20
Past due over 12 months	314	3,236	-	-
Total	58,363	75,462	14,130	12,046
<u>Less</u> Allowance for doubtful accounts	(814)	(3,536)	(11)	(10)
Net	57,549	71,926	14,119	12,036

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

8. TRADE ACCOUNTS AND OTHER RECEIVABLE - NET (Cont.)

Allowance for doubtful accounts consist of :-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Beginning balance for the year	3,536	5,213	10	-
<u>Add</u> increase for the year	1,232	897	304	10
<u>Less</u> Doubtful account (reverse)	(1,043)	(2,374)	(303)	-
Bad debt written-off	(2,911)	(200)	-	-
Ending balance for the year	814	3,536	11	10

9. INVENTORIES - NET

Inventories consist of.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Magazine	-	16,233	-	-
Billbord stand	406	1,963	-	-
Total	406	18,196	-	-
<u>Less</u> Allowance for decline in value of inventories	-	(7,500)	-	-
Net	406	10,696	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

10. HIRE - PURCHASE/FINANCE LEASE CONTRACT RECEIVABLES AND LOANS

Hire - purchase/finance lease contract receivables and loans consist of :-

Unit : Thousand Baht						
Consolidated						
Current		Long - term		Total		
2013	2012	2013	2012	2013	2012	
Hire - purchase/finance lease contract receivables						
Equipment and electronic appliances						
Retail	93,650	94,152	-	-	93,650	94,152
Dealers	67,308	81,172	-	-	67,308	81,172
Vehicles						
Hire - purchase contract receivables	4,274	4,543	-	-	4,274	4,543
Right for claim receivables under						
hire purchase contracts	1,081	1,081	-	-	1,081	1,081
Finance lease contract receivables	3,563	2,746	2,288	5,034	5,851	7,780
Public telephones	50,879	64,002	-	-	50,879	64,002
Loans	2,395	2,395	-	-	2,395	2,395
Total Hire - purchase/finance lease contract						
receivable and loans	223,150	250,091	2,288	5,034	225,438	255,125
<u>Less</u> Unearned interest income	(21,585)	(23,457)	(271)	(1,143)	(21,856)	(24,600)
Total	201,565	226,634	2,017	3,891	203,582	230,525
<u>Less</u> Allowance for doubtful accounts	(199,618)	(225,231)	(504)	(39)	(200,122)	(225,270)
Net	1,947	1,403	1,513	3,852	3,460	5,255

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

10. HIRE - PURCHASE/FINANCE LEASE CONTRACT RECEIVABLES AND LOANS (Cont.)

Unit : Thousand Baht						
	Separate					
	Current		Long - term		Total	
	2013	2012	2013	2012	2013	2012
Hire - purchase/finance lease contract receivables						
Equipment and electronic appliances						
Retail	93,650	94,152	-	-	93,650	94,152
Dealers	67,308	81,172	-	-	67,308	81,172
Vehicles						
Hire - purchase contract receivables	2,850	2,934	-	-	2,850	2,934
Right for claim receivables under						
hire purchase contracts	1,081	1,081	-	-	1,081	1,081
Finance lease contract receivables	3,563	2,746	2,288	5,034	5,851	7,780
Public telephones	50,879	64,002	-	-	50,879	64,002
Loans	2,395	2,395	-	-	2,395	2,395
Total Hire - purchase/finance lease contract						
receivable and loans	221,726	248,482	2,288	5,034	224,014	253,516
<u>Less</u> Unearned interest income	(21,431)	(23,299)	(271)	(1,143)	(21,702)	(24,442)
Total	200,295	225,183	2,017	3,891	202,312	229,074
<u>Less</u> Allowance for doubtful accounts	(198,348)	(223,780)	(504)	(39)	(198,852)	(223,819)
Net	1,947	1,403	1,513	3,852	3,460	5,255

The balances of hire - purchase/finance lease contract receivables (net of unearned interest income) and loans and allowance for doubtful accounts are classified by aging as follows:

Unit : Thousand Baht							
	Consolidated						
	Accounts receivable		Percentage of allowance	Allowance for doubtful accounts		Net	
	2013	2012		2013	2012	2013	2012
Hire - purchase/finance lease contract receivables and loans							
Not yet due	-	5,308	1	-	(53)	-	5,255
Overdue:							
1 - 2 months	-	-	2	-	-	-	-
3 - 6 months	4,614	-	25	(1,154)	-	3,460	-
7 - 12 months	-	-	50	-	-	-	-
Over 12 months	198,968	225,217	100	(198,968)	(225,217)	-	-
Total	203,582	230,525		(200,122)	(225,270)	3,460	5,255

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

10. HIRE - PURCHASE/FINANCE LEASE CONTRACT RECEIVABLES AND LOANS (Cont.)

Unit : Thousand Baht							
Separate							
Accounts receivable		Percentage	Allowance for doubtful		Net		
		of	accounts				
2013	2012	allowance	2013	2012	2013	2012	
Hire - purchase/finance lease contract receivables and loans							
Not yet due	-	5,308	1	-	(53)	-	5,255
Overdue:							
1 - 2 months	-	-	2	-	-	-	-
3 - 6 months	4,614	-	25	(1,154)	-	3,460	-
7 - 12 months	-	-	50	-	-	-	-
Over 12 months	197,698	223,766	100	(197,698)	(223,766)	-	-
Total	202,312	229,074		(198,852)	(223,819)	3,460	5,255

11. GRANTING RIGHT CONTRACT RECEIVABLE

Granting right contract receivable consist of :-

Unit : Thousand Baht						
Consolidated and Separate						
Current		Long - term		Total		
2013	2012	2013	2012	2013	2012	
Granting right contract receivable	6,389	2,750	-	18,341	6,389	21,091
Less: Deferred interest of granting						
right contract	(307)	(895)	-	(2,765)	(307)	(3,660)
Allowance for doubtful						
accounts	(61)	(37)	-	(311)	(61)	(348)
Net	6,021	1,818	-	15,265	6,021	17,083

In 2011, the Company entered into a granting right contract with a company for operating an in-door football field of the Company, total compensation to the Company is Baht 31.5 million. The Company has already received the first payment amounted and of Baht 10 million in June 2011. The rest of the amount will be paid in 84 installments, with the first installment on December 1, 2011.

During the year 2012, the receivable has changed its business from operating an in-door football field to utilizing the area commercial purpose. The conditions of the contract remain unchanged.

On March 28, 2013, the Company has entered into a debt restructuring agreement with a debtor which had significant conditions as follows:

The Company and the receivable have agree to reduce the debt by the amount of Baht 8.05 million resulting in the debt balance to be Baht 13.39 million whereby the debtor shall pay its debt on an installment basis as follows:

- Installment 1 - 4 Baht 500,000 each
- Installment 5 - 14 Baht 1,139,425 each with the final payment on June 1, 2014

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

11. GRANTING RIGHT CONTRACT RECEIVABLE (Cont.)

The debtor shall issue 14 cheques with the first cheque dated May 27, 2013 and from the second cheque on ward dated 1st of the month commencing from June 1, 2013 and the last cheque dated June 1, 2014.

If the debtor breaches the contract or defacelts on any installment payment or any cheque is not valid and the Company has notify in writing within 15 days, but the debtor neglect, it shall be deemed that the debtor breach this debt restructuring contract and consent the Company to bring the case into court to claim its debt under the original contract together with interest at the rate of 15% from the default date.

The Company recognized loss from the above debt restructuring amounting to Baht 5.50 million in the statement of comprehensive income.

12. NON - CURRENT ASSETS HELD FOR SALE

As at December 31, 2013, the Company has entered into a billboard stands sales agreement with a subsidiary. At present, the Company has billboard stands under contruction held for sales value of Baht 34.99 million. Such assets, therefore, are classified as non-current assets held for sale separately presented in the statement of financial position.

Income and expense related to discontinued operations for the year ended December 31, 2013 are as follows:

	Unit : Thousand Baht	
	Separate	
	2013	2012
Discontinued operations		
Proceeds from services	73,895	84,457
Cost of services	(42,233)	(46,082)
Selling expenses	(3,454)	(7,247)
Administrative expenses*	(29,623)	(38,613)
Income tax (expense) income	42	(31)
Total	(1,372)	(7,516)
Gain on dispose of billboard stands	42,239	-
Profit (loss) for the year from discontinued operations	40,866	(7,516)

* The abovementioned administrative expenses are allocated base on the rules and assumptions determined by the Company's management.

The Company does not separately cash flow from the discontinued operations because the Company is not able to clearly separate cash flow from such operation.

13. DEPOSITS AT FINANCIAL INSTITUTIONS PLEDGED AS COLLATERAL

As at December 31, 2013 and 2012, the Company and its subsidiaries had pledged fixed deposits of Baht 4.73 million and Baht 5.55 million with the banks as collaterals for the letters of guarantee issued by the bank (the Company only: Baht 0.1 million)

As at December 31, 2013 and 2012, the subsidiary had pledged saving deposits of Baht 13.80 million and Baht 8.30 million to secure a loan of a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

14. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Investments in subsidiaries and associated companies consist of :-

		Consolidated						
		Unit : Thousand Baht						
	Percentage of direct and indirect holdings (%)		Paid-up share capital		Equity Method			
	2013	2012	2013	2012	2013	2012		
Associated company								
Eastern Printing Public Company Limited	44.15	44.96	524,793	515,410	470,959	440,877		
		Separate						
		Unit : Thousand Baht						
	Percentage of direct and indirect holdings (%)		Paid-up share capital		Equity Method		Dividend received	
	2013	2012	2013	2012	2013	2012	2013	2012
Associated company								
Eastern Printing Public Company Limited	44.15	44.96	524,793	515,410	449,636	449,636	27,574	23,171
Subsidiaries								
Mantra Asset Co., Ltd	99.99	99.99	10,000	10,000	808	808	1,430	720
Aqua Ad Public Company Limited *	73.99	99.99	404,431	404,431	323,227	436,793	45,296	35,186
Total					324,035	437,601	46,726	35,906

* In the forth quarter of 2013, at the Board of Directors' meeting of a subsidiary No. 11/2013 on December 23, 2013, it was resolved to dispose investment in Aqua Ad Company Limited to other company at 26% of paid-up share capital in total of 105,151,997 shares at Baht 2.66 per share amounting to Baht 279.49 million generating gain from disposal of Baht 165.93 million presented in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

15. OTHER LONG-TERM INVESTMENTS

Other long- term invesments consist of :-

Unit : Thousand Baht						
Consolidated						
	Paid-up share capital		Percentage of holdings		Cost method	
	2013	2012	2013	2012	2013	2012
IMCC Corp PCL.	-	372,320	-	4.03	-	37,500
Aura Dream Co., Ltd.	500,000	500,000	9.90	9.90	29,900	29,900
Total					29,900	67,400
<u>Less</u> Allowance for impairment loss of investment					-	(37,500)
Net					29,900	29,900
Investment in subordinated debenture of subsidiary					1,000	1,000
Total					30,900	30,900

Unit : Thousand Baht						
Separate						
	Paid-up share capital		Percentage of holdings		Cost method	
	2013	2012	2013	2012	2013	2012
IMCC Corp PCL.	-	372,320	-	4.03	-	37,500
Aura Dream Co., Ltd.	500,000	500,000	9.90	9.90	29,900	29,900
Total					29,900	67,400
<u>Less</u> Allowance for impairment loss of investment					-	(37,500)
Net					29,900	29,900

In the first quarter of 2013, the Company disposed its total investments in IMCC Corp PCL. of 15 million shares to otherparty at Baht 0.4968855 per share amounting to Baht 7.45 million generating loss from the disposal of Baht 30.05 million and the Company had reversed allowance for impairment loss by with the same amount presented in the statement of comprehensive income.

In 2012, the Company had additionally provided allowance for impairment loss of investment in IMCC Corp PCL. amounting to Baht 37.50 million.

In 2012, a subsidiary has invested in subordinated debentures of a bank of 1,000 units at Baht 1,000 per unit amounting to Baht 1 million which was due in 2022. The subsidiary can exercise its right after the fifth year and received quick interest at the rate of 4.5% per annum.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

16. ADVANCED PAYMENT FOR SHARE SUBSCRIPTION - NET

Advanced payment for share subscription consist of :-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Advanced payment for share subscription	50,000	50,000	21,700	21,700
<u>Less:</u> Allowance for impairment of advanced payment for share subscription	(50,000)	(50,000)	(21,700)	(21,700)
Net	-	-	-	-

The Company and its subsidiary terminated the contract of the right to buy new shares and ask for a return of subscription fee of Baht 50 million and compensation for damage from Parking Management Company(PKM). Furthermore, the Company and its subsidiary appointed a lawyer to file a case to the civil court on April 8, 2011 for a damage of Baht 57.1 million and another damage claims of Baht 100 million for 3 companies joint for investing. At the present, the case is in the process of a court considering.

17. INVESTMENT IN RIGHT FOR CLAIM - NET

Investment in right for claim consist of :-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Investment in right for claim	1,520	7,464	1,520	1,525
<u>Less :</u> Allowance for impairment loss	(1,520)	(7,464)	(1,520)	(1,525)
Net	-	-	-	-

Details of investments are as follows:

Item	Date acquired FRA at auction	Unit : Thousand Baht			
		Consolidated			
		Numbers of receivables		Investment in distressed assets	
		2013	2012	2013	2012
1	June 14, 2004	519	519	1,520	1,525
2	June 23, 2004	-	680	-	840
3	September 21, 2004	-	554	-	1,464
4	October 5, 2004	-	299	-	2,638
5	October 11, 2004	-	421	-	997
	Total	519	2,473	1,520	7,464

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

17. INVESTMENT IN RIGHT FOR CLAIM - NET (Cont.)

		Unit : Thousand Baht			
		Separate			
		Numbers of receivables		Investment in distressed assets	
Item	Date acquired FRA at auction	2013	2012	2013	2012
1	June 14, 2004	519	519	1,520	1,525

In 2004, the Company and its subsidiaries bid by auction to purchase distressed assets from the FRA. for 519 and 1,954 receivables which had the debt value under the distressed assets at the cost of Baht 7.03 million and Baht 16.70 million, respectively.

In the second quarter of 2013, the subsidiary received the payment distressed assets from FRA for 1,954 receivable by transference of land title deed amounting to Baht 2.5 million caused the subsidiary to generate loss from the loss from the investment in right for claim of Baht 3.44 million and the subsidiary has reversed allowance for devaluation of investment of Baht 5.94 million presented in the statement of comprehensive income.

18. PROPERTY, PLANT AND EQUIPMENT - NET

(See details of the Note on page 41 - 44)

The Company's condominium units and its subsidiary's land and building at cost value of Baht 46.30 million and at book value of Baht 28.71 million had been mortgaged as collaterals for credit facilities from a bank (See Note 23 to the financial statements).

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

18. PROPERTY, PLANT AND EQUIPMENT - NET (Cont.)

Property plant and equipment consist of:-

	Unit : Thousand Baht							
	Consolidated							
	Land	Building and condominium	Building improvements	Furniture, fixtures and Equipment	Vehicles	Vehicles under long- term lease agreements	Billboard stands	Construction in Progress
Cost								
As at January 1, 2012	17,565	28,928	12,142	20,006	1,590	18,778	286,142	-
Acquisition during the year	4,209	691	-	1,067	3,532	715	113,810	8,141
Transfer in/(Transfer out)	-	-	-	(13)	8,190	(8,190)	(9,061)	(3,584)
Written - off during the year	-	-	-	(281)	-	-	(6,968)	-
Acquire Investment in subsidiary	-	-	-	(324)	-	-	(546)	-
Provision for dismantling costs	-	-	-	-	-	-	794	-
As at December 31, 2012	21,774	29,619	12,142	20,455	13,312	11,303	384,171	4,557
Accumulated depreciation								
As at January 1, 2012	-	8,206	6,622	12,933	1,476	6,986	102,149	-
Depreciation for the year	-	1,194	2,181	3,092	451	3,219	37,183	-
Depreciation - disposals	-	-	-	(212)	6,748	(6,748)	(8,188)	-
Dispose Investment in subsidiary	-	-	-	(181)	-	-	(214)	-
As at December 31, 2012	-	9,400	8,803	15,632	8,675	3,457	130,930	-
Provision for impairment								
As at January 1, 2012	-	-	-	-	-	-	12,002	-
Reversal	-	-	-	-	-	-	-	-
As at December 31, 2012	-	-	-	-	-	-	12,002	-
Net Book Value								
As at January 1, 2012	17,565	20,722	5,520	7,073	114	11,792	171,991	-
As at December 31, 2012	21,774	20,219	3,339	4,823	4,637	7,846	241,239	4,557
Depreciation for the year end December 31, 2012 consist of :								
Cost of services								37,183
Selling and Administrative expenses								10,137
Total								47,320

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

Property plant and equipment consist of:-

	Unit : Thousand Baht								
	Consolidated								
	Land	Building and condominium	Building improvements	Furniture,fixtures and Equipment	Vehicles	Vehicles under long- term lease agreements	Billboard stands	Construction in Progress	Total
Cost									
As at January 1, 2013	21,774	29,619	12,142	20,455	13,312	11,303	384,171	4,557	497,333
Acquisition during the year	-	-	9	597	-	-	113,958	58,547	173,111
Transfer in/(Transfer out)	-	-	-	-	-	-	25,868	(28,118)	(2,250)
Written - off during the year	(14,546)	-	-	(1)	(11,714)	(4,710)	(37,729)	-	(68,700)
Acquire Investment in subsidiary	-	-	(671)	(4,545)	(289)	-	-	-	(5,505)
Provision for dismantling costs	-	-	-	-	-	-	1,312	-	1,312
As at December 31, 2013	7,228	29,619	11,480	16,506	1,309	6,593	487,580	34,986	595,301
Accumulated depreciation									
As at January 1, 2013	-	9,400	8,803	15,632	8,675	3,457	130,930	-	176,897
Depreciation for the year	-	1,228	2,080	2,681	1,651	1,201	47,577	-	56,418
Depreciation - disposals	-	-	-	(1)	(8,852)	(1,037)	(6,236)	-	(16,126)
Dispose Investment in subsidiary	-	-	(671)	(3,842)	(289)	-	-	-	(4,802)
As at December 31, 2013	-	10,628	10,212	14,470	1,185	3,621	172,271	-	212,387
Provision for impairment									
As at January 1, 2013	-	-	-	-	-	-	12,002	-	12,002
Reversal	-	-	-	-	-	-	-	-	-
As at December 31, 2013	-	-	-	-	-	-	12,002	-	12,002
Net Book Value									
As at January 1, 2013	21,774	20,219	3,339	4,823	4,637	7,846	241,239	4,557	308,434
As at December 31, 2013	7,228	18,991	1,268	2,036	124	2,972	303,307	34,986	370,912
Depreciation for the year end December 31, 2013 consist of :									
Cost of services									47,577
Selling and Administrative expenses									8,841
Total									56,418

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

18. PROPERTY, PLANT AND EQUIPMENT - NET (Cont.)

Property plant and equipment consist of:-

	Unit : Thousand Baht						
	Separate						
	Building and condominium	Building improvements	Furniture, fixtures and Equipment	Vehicles	Vehicles under long- term lease agreements	Billboard stands	Construction in Progress
Cost							
As at January 1, 2012	38,000	10,173	6,915	809	18,778	17,623	-
Acquisition during the year	-	-	527	3,532	715	768	6,242
Transfer in/(Transfer out)	-	-	-	8,190	(8,190)	1,943	(1,943)
Written - off during the year	-	-	(273)	-	-	-	-
Provision for dismantling costs	-	-	-	-	-	52	-
As at December 31, 2012	38,000	10,173	7,169	12,531	11,303	20,386	4,299
Accumulated depreciation							
As at January 1, 2012	12,764	4,902	4,758	698	6,986	456	-
Depreciation for the year	1,647	2,035	1,041	447	3,219	2,213	-
Depreciation - disposals	-	-	(201)	6,748	(6,748)	-	-
As at December 31, 2012	14,411	6,937	5,598	7,893	3,457	2,669	-
Net Book Value							
As at January 1, 2012	25,236	5,271	2,157	111	11,792	17,167	-
As at December 31, 2012	23,589	3,236	1,571	4,638	7,846	17,717	4,299
Depreciation for the year end December 31, 2012 consist of :							
Cost of services							2,213
Selling and Administrative expenses							8,389
Total							10,602

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

Property plant and equipment consist of:-

	Unit : Thousand Baht							
	Separate							
	Building and condominium	Building improvements	Furniture,fixtures and Equipment	Vehicles	Vehicles under long- term lease agreements	Billboard stands	Construction in Progress	Total
<u>Cost</u>								
As at January 1, 2013	38,000	10,173	7,169	12,531	11,303	20,386	4,299	103,861
Acquisition during the year	-	9	169	-	-	843	47,626	48,647
Transfer in/(Transfer out)	-	-	-	-	-	16,939	(51,925)	(34,986)
Written - off during the year	-	-	(1)	(11,714)	(4,710)	(37,729)	-	(54,154)
Provision for dismantling costs	-	-	-	-	-	(439)	-	(439)
As at December 31, 2013	38,000	10,182	7,337	817	6,593	-	-	62,929
<u>Accumulated depreciation</u>								
As at January 1, 2013	14,411	6,937	5,598	7,893	3,457	2,669	-	40,965
Depreciation for the year	1,647	2,035	758	1,651	1,201	3,150	-	10,442
Depreciation - disposals	-	-	(1)	(8,852)	(1,037)	(5,819)	-	(15,709)
As at December 31, 2013	16,058	8,972	6,355	692	3,621	-	-	35,698
<u>Net Book Value</u>								
As at January 1, 2013	23,589	3,236	1,571	4,638	7,846	17,717	4,299	62,896
As at December 31, 2013	21,942	1,210	982	125	2,972	-	-	27,231
<u>Depreciation for the year end December 31, 2013 consist of :</u>								
Cost of services								3,150
Selling and Administrative expenses								7,292
Total								10,442

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

19. DEFERRED TAX ASSETS

Deferred tax assets and liability are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
		(Restated)		(Restated)
Deferred tax assets	71,124	82,776	55,700	62,593
Deferred tax liability	(3,786)	(2,688)	-	(141)
Net	67,338	80,088	55,700	62,452

Movements in deferred tax assets and liability during the period were as follows:

	Unit : Thousand Baht		
	Consolidated		
	As at	(Changed) Credit	As at
	Jan 1, 2013	for the period	Dec 31, 2013
		to profit or loss	
Deferred tax assets			
Trade accounts and other receivable	21,775	(5,369)	16,406
Hire - purchase contract receivable	43,454	(3,430)	40,024
Granting right contract receivable	70	(58)	12
Investment in right for claim	1,493	(1,189)	304
Advance payment for share subscription	10,000	-	10,000
Inventories	1,500	(1,500)	-
Employee benefit	1,412	(557)	855
Provision for decommissioning costs	3,072	451	3,523
Total	82,776	(11,652)	71,124
Deferred tax liability			
Plant and equipment	(2,688)	(1,098)	(3,786)
Net	80,088	(12,750)	67,338

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

19. DEFERRED TAX ASSETS (Cont.)

Unit : Thousand Baht			
Consolidated			
	As at Jan 1, 2012 (Restated)	(Changed) Credit for the period to profit or loss	As at Dec 31, 2012 (Restated)
Deferred tax assets			
Trade accounts and other receivable	24,480	(2,705)	21,775
Hire - purchase contract receivable	47,135	(3,681)	43,454
Granting right contract receivable	36	34	70
Investment in right for claim	1,493	-	1,493
Advance payment for share subscription	10,000	-	10,000
Other long - term investments	487	(487)	-
Inventories	2,036	(536)	1,500
Employee benefit	1,334	78	1,412
Provision for decommissioning costs	2,750	322	3,072
Total	89,751	(6,975)	82,776
Deferred tax liability			
Plant and equipment	(1,642)	(1,046)	(2,688)
Net	88,109	(8,021)	80,088

Unit : Thousand Baht			
Separate			
	As at Jan 1, 2013	(Changed) Credit for the period to profit or loss	As at Dec 31, 2013
Deferred tax assets			
Trade accounts and other receivable	14,125	(3,471)	10,654
Hire - purchase contract receivable	43,164	(3,393)	39,771
Granting right contract receivable	70	(58)	12
Investment in right for claim	305	(1)	304
Advance payment for share subscription	4,340	-	4,340
Employee benefit	490	129	619
Provision for decommissioning costs	99	(99)	-
Total	62,593	(6,893)	55,700
Deferred tax liability			
Plant and equipment	(141)	141	-
Net	62,452	(6,752)	55,700

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

19. DEFERRED TAX ASSETS (Cont.)

Unit : Thousand Baht			
	Separate		
	As at Jan	(Changed) Credit	As at
	Jan 1, 2012	for the period	Dec 31, 2012
	(Restated)	to profit or loss	(Restated)
Deferred tax assets			
Trade accounts and other receivable	16,426	(2,300)	14,126
Hire - purchase contract receivable	46,791	(3,627)	43,164
Granting right contract receivable	36	33	69
Investment in right for claim	305	-	305
Other long - term investments	487	(487)	-
Advance payment for share subscription	4,340	-	4,340
Employee benefit	562	(72)	490
Provision for decommissioning costs	80	19	99
Total	69,027	(6,434)	62,593
Deferred tax liability			
Plant and equipment	(89)	(52)	(141)
Net	68,938	(6,486)	62,452

Deferred income tax assets are recognized for tax loss and carry forwards only to the extent that realization of the related tax benefit through the future taxable profits is probable. The Company has unrecognized tax losses of Baht 3.44 million (December 31, 2012: Baht 168.95 million), to carry forward against future taxable income; these tax losses will expire in 2017.

Income tax expenses for the period are as follows:

Income tax recognized in profit or loss

Unit : Thousand Baht				
	Consolidated		Separate	
	2013	2012	2013	2012
	(Restated)		(Restated)	
Current income tax				
Interim corporate income tax charge	8,714	7,105	-	-
Deferred tax				
Deferred tax expense relating to the original and reversal of temporary differences	12,750	8,021	6,752	6,486
Income tax expenses (income)	21,464	15,126	6,752	6,486

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

19. DEFERRED TAX ASSETS (Cont.)

Reconciliation for effective tax rate

	Consolidated			
	2013		2012 (Restated)	
	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)
Profit before income tax		254,753		9,186
Tax expense	20%	50,951	23%	2,113
Tax effect of expenses that are not deductible for tax purposes		(29,487)		13,253
Deferred tax expense (income) from decrease in tax rate		-		(240)
Tax expense (effective rate)	8.43%	21,464	164.66%	15,126
	Separate			
	2013		2012 (Restated)	
	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)
Profit before income tax		305,468		23,296
Tax expense	20%	61,094	23%	5,358
Tax effect of expenses that are not deductible for tax purposes:		(54,342)		1,489
Deferred tax expense (income) from decrease in tax rate		-		(361)
Tax expense (effective rate)	2.21%	6,752	27.84%	6,486

Tax rate

Current income tax

The Company and its subsidiaries calculated interim income tax from net profit for the period after adjust non taxable expenses and revenue in accordance with the Revenue Code.

On October 11, 2011, the cabinet has approved the change in corporate income tax rate to be 23% of net profit for the accounting period commencing on or after January 1, 2012 and 20% of net profit for two following period commencing on or after January 1, 2013.

Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date.

20. BANK OVERDRAFTS

As at December 31, 2013 and 2012, the Company and its subsidiaries had bank overdraft facilities of Baht 27 million and Baht 30 million, respectively. bearing interest at the rates of MOR - 1% to MOR per annum. Such bank overdrafts were secured by the same collaterals as long - term loans from the same bank (See Note 23 to the financial statements).

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

21. TRADE ACCOUNTS AND OTHER PAYABLE

Trade accounts and other payable are as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Trade accounts payable				
Related company	-	252	852	-
Other companies	12,982	18,743	3,672	5,373
Total	12,982	18,995	4,524	5,373
Other payable				
Accrued expense	10,680	20,372	2,177	4,685
Advance receipts for advertising income	10,573	3,768	-	840
Advance receipts	69	1,662	25	855
Other	7,679	4,796	7,054	2,234
Total	41,983	49,593	13,780	13,987

22. LIABILITIES UNDER HIRE - PURCHASE AGREEMENTS - NET

Liabilities under hire-purchase agreements are as follow.-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Liabilities under hire - purchase agreements	1,369	4,473	1,369	4,473
<u>Less</u> Deferred interest	(48)	(253)	(48)	(253)
Current portion	(881)	(2,398)	(881)	(2,398)
Net	440	1,822	440	1,822

23. LONG – TERM LOANS FROM FINANCIAL INSTITUTION

Long-term loans from financial institution are as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Beginning balance for the year	109,542	64,292	-	37,806
<u>Add</u> Increase during the year	69,600	122,669	-	-
<u>Less</u> Paid during the year	(38,458)	(77,419)	-	(37,806)
Total	140,684	109,542	-	-
<u>Less</u> Current portion	(45,456)	(26,329)	-	-
Net	95,228	83,213	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

23. LONG – TERM LOANS FROM FINANCIAL INSTITUTION (Cont.)

Subsidiary had entered into long - term loans agreements with a bank with total facilities of Baht 192.69 million. The details and conditions are as follows :

Facility	Objective	Interest rate	Repayment term	Periods
Baht 4.09 million	Re-finance	MLR	Baht 0.12 million per month Commencing from May, 2012	37 installments with in May, 2015
Baht 23 million	Re-finance	MLR -1	Baht 0.34 million per month Commencing from May, 2012	84 installments with in April, 2019
Baht 96 million	Purchase of structured billboard stands	MLR -0.25	Year 1-3 Baht 2.30 million per month Year 4-5 Baht 1.30 million per month Commencing from July, 2012	60 installments with in June, 2017
Baht 69.60 million	Purchase of structured billboard stands	MLR - 0.25	Year 1-3 Baht 1.72 million per month Year 4-5 Baht 0.80 million per month Commencing from April, 2013	60 installments with in March, 2018

Collaterals for the above mentioned loans are as follows: -.

1. Mortgage the subsidiaries land for Baht 10 million
2. Mortgage the Company's condominium units for Baht 85 million (Baht 65 million in 2012)
3. Transfer rental fees of structured billboard stands to the bank not less than Baht 130 million per annum
(Not less than Baht 100 million in 2012)
4. Pledged the subsidiary's deposits in saving account amounting to Baht 13.80 million (Baht 8.30 million in 2012)
5. The Company guaranteed as co - debtor for the total loan facilities

24. EMPLOYEE BENEFIT OBLIGATIONS

The Company and its subsidiaries operates post-employment benefit and pension based on the requirement of the Thai Labour Protection Act B.E. 2541 to provide retirement benefits and other long term benefits to employees based on pensionable remuneration and length of service.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

24. EMPLOYEE BENEFIT OBLIGATIONS (Cont.)

Movement in the present value of the employee benefits obligations consist of;

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Defined benefit obligations at January 1,	7,060	6,679	2,450	2,809
Adjustment of current service costs	(4,354)	(778)	(238)	(768)
Current service costs and interest	1,348	945	793	335
Interest cost	219	214	89	74
Defined benefit obligations at December 31,	4,273	7,060	3,094	2,450

The expense is recognized in the following line items in the profit or loss:

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Profit or loss				
Administrative expense	1,348	945	793	335
Interest expenses	219	214	89	74
Total	1,567	1,159	882	409

Principal actuarial assumptions at the reporting date consist of;

	Consolidated and Separate
Discount rate	3.25% - 4.04%
Salary increase rate	3%
* Employee turnover rate	0% - 32%
** Mortality rate	TMO2008
* Upon the length of service	
** Reference from TMO97: Thai Mortality Ordinary Table 1997	

25. SHARE CAPITAL

25.1 At the Company's Extraordinary Shareholders' meeting No.1/2013, held on March 4, 2013, it was approved to increase authorized capital from Baht 1,235,627,726.- to Baht 1,985,627,726.- by issue of 1.5 million common share at the par value of Baht 0.50 to reserve for individual and/or institutional investors through private placement which shall be offered at the price of Baht 0.501 per share. The Company has registered the increase of capital with the Ministry of Commerce on March 19, 2013.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

25. SHARE CAPITAL (Cont.)

25.2 As at December 31, 2013 and 2012, the Company had warrants (AQUA - W2) amounted of 673,386,624 units that have not been excised. The exercise price is Baht 0.75 per share at the ratio of 1 warrant unit to 1 common share. On February 6, 2013 at the Board of Directors of the Company's meeting it was approved to adjust the ratio of 1 warrant unit to 1.301 common share at the exercise price of Baht 0.576.

26. DIVIDEND AND PROVIDED LEGAL RESERVE

Subsidiaries

At the Board of Directors' Meeting of Aqua Ad Public Company Limited No.5/2013 held on November 11, 2013, it was approved to distribute interim dividend for the year 2013 at the rate of Baht 0.05 per share, totaling Baht 20.22 million and provided legal reserve amounting to Baht 1.06 million.

At the Annual General Shareholders' Meeting of Aqua Ad Public Company Limited No.1/2013 held on April 4, 2013, it was approved to distribute dividend for the year 2012 at the rate of Baht 0.062 per share, totaling Baht 25.07 million and provided legal reserve amounting to Baht 1.32 million.

At the Annual General Shareholders' Meeting of Mantra Assets Company Limited No.1/2013 held on April 4, 2013, it was approved to distribute dividend for the year 2012 at the rate of Baht 1.43 per share, totaling Baht 1.43 million and provided legal reserve amounting to Baht 0.08 million.

At the Annual General Shareholders' Meeting of Aqua Ad Public Company Limited No.1/2012 held on March 23, 2012, it was approved to distribute dividend for the year 2011 at the rate of Baht 0.087 per share, totaling Baht 35.19 million and provided legal reserve amounting to Baht 1.85 million.

At the Annual General Shareholders' Meeting of Mantra Assets Company Limited No.1/2012 held on March 23, 2013, it was approved to distribute dividend for the year 2011 at the rate of Baht 0.72 per share, totaling Baht 0.72 million and provided legal reserve amounting to Baht 0.04 million.

27. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share were based on the profit for the period attributable to equity holders of the Company and the number of common shares outstanding during the year as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
		(Restated)		(Restated)
Profit attributable to equity holders of the Company (basic) (Thousand Baht)	291,140	23,201	298,716	16,810
Weighted average number of common shares outstanding (basic) (Thousand Share)	1,797,846	1,797,846	1,797,846	1,797,846
Earnings per share (basic) (Baht)	0.1619	0.0129	0.1662	0.0094

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

28. EXPENSES BY NATURE

Significant expenses classified by nature consist of:-

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Rental	81,620	84,071	31,098	35,146
Employees benefit expenses	52,328	68,439	24,864	32,578
Depreciation and amortization	56,445	47,320	10,452	10,602
Commission	24,224	29,932	3,342	6,854
Service expense and cost of production	37,055	51,516	6,135	7,713
Bad debt and doubtful accounts (Reversal)	(18,230)	(11,878)	(18,069)	(11,426)
Impairment loss from Asset	-	37,500	-	37,500

29. 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 (1987). The Company, its subsidiaries and their employees contributed to the fund monthly at the rate of 2 - 3 percent of their basic salary. The fund, managed by Bank of Ayudhya Asset Management Pcl, will be paid to employees upon termination in accordance with the fund rules. For the years ended December 31, 2013 and 2012, the Company and its subsidiaries had contributed to the fund at the same amount of Baht 0.53 million in the consolidated financial statements and amounting to Baht 0.26 million and Baht 0.16 million in the separate financial statements respectively.

30. OPERATING SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as (the Company's Board of Directors).

Segment information is presented in respect of the Company and its subsidiaries' operating segments. The primary format, business segments, is based on the Company and its subsidiaries' management and the internal reporting structure provided to the chief operating decision maker.

Segment assets and revenues include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

30. OPERATING SEGMENT INFORMATION (Cont.)

Business segments

The Company and its subsidiaries comprise 3 main business segments as follows:

Segment 1 : Hire-purchase business

Segment 2 : Rental space for advertising signage

Segment 3 : Production and sale of magazine, printing media, administration in advertising

Geographic segments

Management considers that the Company and its subsidiaries operate in a single geographic area, mainly in Thailand, and has, therefore, only one major geographic segment.

Total asset, revenue and results, based on business segment, in the consolidated financial statements were as follows.-

	Unit : Thousand Baht				
	Consolidated				
	For the year ended December 31, 2013				
	Segment 1	Segment 2	Segment 3	Elimination	Total
Revenues	4,077	361,595	40,139	(4,673)	401,138
Operating profit					146,088
Un allocated income-net					172,942
Interest received					4,006
Depreciation	-	(47,577)	-	-	(47,577)
Share of profit on investment in associated company					57,656
Loss from debt restructuring and investment in right for claim					(8,944)
Finance cost					(11,762)
Income tax					(21,464)
Income of non-controlling interest					195
Net profits attributable shareholders of the parent					291,140
Property, plant and equipment - net					
As at December 31, 2013					
allocated	-	303,307	-	-	303,307
Un allocated					67,605
Total					370,912
Total assets as at December 31, 2013					1,547,241

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

30. OPERATING SEGMENT INFORMATION (Cont.)

Unit : Thousand Baht					
Consolidated					
For the year ended December 31, 2012					
	Segment 1	Segment 2	Segment 3	Elimination	Total
Revenues	1,533	351,821	54,660	(15,197)	392,817
Operating profit					45,592
Un allocated income-net					8,498
Interest received					1,628
Depreciation	-	(37,183)	-	-	(37,183)
Share of profit on investment in associated company					29,320
Finance cost					(9,349)
Income tax					(15,126)
Income of non-controlling interest					(180)
Net profits attributable shareholders of the parent					23,200
Property, plant and equipment - net					
As at December 31, 2012					
allocated	-	241,239	-	-	241,239
Un allocated					67,195
Total					308,434
Total assets as at December 31, 2012					1,124,691

31. FINANCIAL INSTRUMENTS

The Company and its subsidiaries complied with the Thai Accounting Standard No. 107 "Presentations and Disclosure of Financial Instruments" as a guidance to disclose about the financial instruments as follows:-

31.1 Accounting policies

The related accounting policies are disclosed in Note 5.18 to the financial statements.

31.2 Financial risk management

The Company and its subsidiaries are exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company and subsidiaries did not speculate or engage in the trading of any derivative financial instrument.

31.3 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to hire purchase receivable, trade accounts receivable, loans, and other receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The Company and its subsidiaries do not expect to incur material financial losses in excess of the allowance for doubtful accounts they have already provided.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

31. FINANCIAL INSTRUMENT (Cont.)

31.4 Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its deposits with financial institutions, Hire-purchase/financial lease contract receivables and loans, bank overdrafts and short-terms and long-term loans charged with interest and financial lease. However, since interest rates of the majority of these financial assets and liabilities vary according to market rates or are fixed and closed to market rates, the Company and its subsidiaries management deemed their interest risk at low level. The Company and its subsidiaries thus do not use derivative financial instruments to hedge such risk.

The Company and its subsidiary had interest rate risk as follows:

Unit : Thousand baht							
Consolidated (As at December 31, 2013)							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Interest rate (% p.a.)
	within	1 - 5	Over				
	1 year	years	5 years				
Financial assets							
Cash and cash equivalents	-	-	-	460,531	(3,700)	456,831	0.50 - 3.00
Temporary investments	-	-	-	-	2	2	-
Trade and other accounts receivable	-	-	-	-	105,261	105,261	-
Hire-purchase/financial lease contract receivables	1,947	1,513	-	-	-	3,460	-
Granting right contract receivable	6,021	-	-	-	-	6,021	17.00
Long-term loans to other person	549	9	-	-	-	558	10.00
Fixed deposits at banks held as collateral	-	-	-	18,531	-	18,531	0.75 - 1.50
Long-term investments	-	-	1,000	-	29,900	30,900	4.50
Financial liabilities							
Bank overdrafts	-	-	-	5,457	-	5,457	MOR-1 to MOR
Trade accounts and other payable	-	-	-	-	41,983	41,983	-
Long-term Loan	-	-	-	140,684	-	140,684	MLR-1 to MLR
Liabilities under lease contracts	881	440	-	-	-	1,321	2.20 - 7.35

Unit : Thousand baht							
Consolidated (As at December 31, 2012)							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Interest rate (% p.a.)
	within	1 - 5	Over				
	1 year	years	5 years				
Financial assets							
Cash and cash equivalents	-	-	-	74,379	(154)	74,225	0.50 - 3.00
Temporary investments	-	-	-	-	2	2	-

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

31. FINANCIAL INSTRUMENT (Cont.)

Unit : Thousand baht							
Consolidated (As at December 31, 2012)							
Fixed interest rates			Floating	Non-	Total	Interest	
within	1 - 5	Over	interest	interest		rate	
1 year	years	5 years	rate	bearing		(% p.a.)	
Financial assets							
Trade and other accounts receivable	-	-	-	-	129,428	129,428	-
Hire-purchase/financial lease contract							
receivables	1,402	3,853	-	-	-	5,255	-
Granting right contract receivable	1,818	9,374	5,891	-	-	17,083	5.43
Loans	308	350	-	-	-	658	10.00
Fixed deposits at banks held as collateral	-	-	-	13,851	-	13,851	0.75 - 1.50
Long-term investments	-	-	1,000	-	29,900	30,900	4.50
Financial liabilities							
Bank overdrafts	-	-	-	10,985	-	10,985	MOR-1 to MOR
Trade accounts and other payable	-	-	-	-	49,594	49,594	-
Long-term Loan	-	-	-	109,542	-	109,542	MLR-1 to MLR
Liabilities under lease contracts	2,398	1,822	-	-	-	4,220	2.20 - 7.35

Unit : Thousand baht							
Separate (As at December 31, 2013)							
Fixed interest rates			Floating	Non-	Total	Interest	
within	1 - 5	Over	interest	interest		rate	
1 year	years	5 years	rate	bearing		(% p.a.)	
Financial assets							
Cash and cash equivalents	-	-	-	327,735	(3,867)	323,868	0.50 - 3.00
Temporary investments	-	-	-	-	2	2	-
Trade and other accounts receivable	-	-	-	-	23,452	23,452	-
Hire-purchase/financial lease contract							
receivables	1,947	1,513	-	-	-	3,460	-
Granting right contract receivable	6,021	-	-	-	-	6,021	17.00
Fixed deposits at banks held as collateral	-	-	-	97	-	97	0.75
Long-term investments	-	-	-	-	29,900	29,900	-
Financial liabilities							
Trade accounts and other payable	-	-	-	-	13,780	13,780	-
Short-term Loan	-	-	-	47,232	-	47,232	*
Liabilities under lease contracts	881	440	-	-	-	1,321	2.20 - 7.35

* 5% p.a., MLR'K-Bank p.a. and MLR'TMB - 1% p.a.

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

31. FINANCIAL INSTRUMENT (Cont.)

Unit : Thousand baht

Separate (As at December 31, 2012)

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Interest rate (% p.a.)
	within	1 - 5	Over				
	1 year	years	5 years				
Financial assets							
Cash and cash equivalents	-	-	-	18,671	(329)	18,342	0.50 - 3.00
Temporary investments	-	-	-	-	2	2	-
Trade and other accounts receivable	-	-	-	-	17,052	17,052	-
Hire-purchase/financial lease contract receivables	1,402	3,853	-	-	-	5,255	-
Granting right contract receivable	1,818	9,374	5,891	-	-	17,083	5.43
Fixed deposits at banks held as collateral	-	-	-	97	-	97	0.75
Long-term investments	-	-	-	-	29,900	29,900	-
Financial liabilities							
Trade account and other payable	-	-	-	-	13,987	13,987	-
Short-term Loan	-	-	-	162,118	-	162,118	*
Liabilities under lease contracts	2,398	1,822	-	-	-	4,220	2.20 - 7.35

* 5% p.a., MLR'K-Bank p.a. and MLR'TMB - 1% p.a.

31.5 Defaulting of agreement risk

The Company and its subsidiaries has a risk from it was unable to extend the lease premise agreement for billboard stands since the agreement was signed for the short-term. The Management then hedged this risk by entering into agreement the condition to extend the agreement and must inform the cancellation of agreement in advance. For the risk on damages to its customers who rented billboard, its subsidiaries will seek the new billboard to be stand in the better location immediately

The Company and its subsidiaries has a risk from the uncleanness of evidence supporting the billboard stand construction as follows:

	2013	2012
Billboard stand construction permission (billboard stand)	83	83
Cost (In Million Baht)	219.96	204.70
Net book value (In Million Baht)	144.22	149.19
Advertizing income (In Million Baht)	144.04	122.93
Percentage of total advertizing income	47.38	46.33
The reflection to income for demolishing billboard stands (In Million Baht)	(144.04)	(122.93)
The reflection to total assets and share holders equity for demolishing billboard stands (In Million Baht)	(144.22)	(149.59)

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

31. FINANCIAL INSTRUMENT (Cont.)

The management deems that such stands were purchased from the seller whose the operation is used and constructed before the effective of the Bangkok's Instruction B.E. 2549 and altogether of the advertising and Sign Producing Association ("ASPA") is under the request for relaxing of permission. The management also deems that the expenses in demolition is not material together with the supplies from such demolition could be use in the alternative construction and installation.

31.6 Currency risk

The Company and its subsidiaries has no foreign currency exchange rate risk, all material respect.

31.7 Liquidity Risk

The Company and its subsidiaries monitor their liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Company's and its subsidiaries operations and to mitigate the risk of fluctuations in cash flows.

31.8 Fair value of financial instruments

A number of the company and its subsidiaries accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Methodology of fair value measurement depends upon characteristics of the financial instruments. For the financial instruments which are regarded as trade in an active market, fair value has been determined by the latest quoted market price. If however the appropriate quoted market price cannot be determined, the fair value is determined using an appropriate valuation technique.

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

32. COMMITMENT AND CONTINGENT LIABILITIES

32.1 The Company and its subsidiaries was in possession of commitments from land lease agreements for sites of structured billboard stands which are liable to make future payment under operating lease agreement as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	2013	2012	2013	2012
Within 1 year	30,925	38,844	-	14,185
1 - 5 years	40,313	37,851	-	2,551
After 5 years	186	206	-	-
Total	71,424	76,901	-	16,736

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

32. COMMITMENT AND CONTINGENT LIABILITIES (Cont.)

32.2 A subsidiary had contingent liabilities from a damage claim of Baht 2.2 million in a civil case for the collapse of structured billboard stand causing damage from the lawsuit as the damage was incurred prior to the subsidiary investing in such company and the subsidiary had an agreement with the former shareholders to be responsible for the damage claim.

32.3 The Company and its subsidiaries have contingent liabilities in respect of letters of guarantee issued by banks mainly to secure contractual performance, electricity usage and others as follows:

	Unit : Thousand Baht	
	2013	2012
<u>The Company and its subsidiary</u>		
Aqua Corporation PCL.	97	97
Aqua Ad PCL.	4,632	5,453

33. CAPITAL MANAGEMENT

The primary objectives of the Company and subsidiaries' capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2013 and 2012, in the consolidated financial statements were 0.16 : 1 and 0.21 : 1 respectively and the separate financial statements were 0.05 : 1 and 0.20 : 1 respectively.

34. EVENTS AFTER REPORTING PERIOD
PARENT COMPANY

34.1 At the Board of Directors' meeting of the Company No. 1/2014 held on February 6, 2014 it was resolved to increase its authorized capital amounting to from Baht 101,333,108 which shall result its authorized capital increased from Baht 1,985,627,726 to Baht 2,086,960,834 to accommodate the exercise of warrants to purchase common shares of the Company (AQUA -W2) which was increased from the change in rights under the conditions of the right and duties of the issuer of AQUA-W2.

34.2 At the Board of Directors' meeting of the Company No.1/2014 held on February 6, 2014, it was approved the allotment and offering of new common shares amount of 1,500,000 shares at the price of Baht 0.501 per share totaling Baht 751.50 million offered to the private placement of 8 investors.

34.3 At the Board of Directors' meeting of the Company No.2/2014 held on February 19, 2014, it was resolved to additionally invest in the common shares of Eastern Printing Public Company Limited (EPCO) of 50,976,875 share at the price of Baht 3.20 per unit totaling Baht 163,126,000

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**34. EVENT AFTER THE REPORTING PERIOD** (Cont.)

34.4 At the Board of Directors' Meeting No.2/2014 held on February 19, 2014 it was approved to distribute dividend for the year 2013 at the rate of Baht 0.027 per share, totaling Baht 112.70 million and to appropriate legal reserve amounting to Baht 14.94 million.

SUBSIDIARY

34.5 At the Board of Directors' Meeting of Aqua Ad Public Company Limited No. 1/2014 held on February 18, 2014, it was approved to distribute dividend for the year 2013 at the rate of Baht 0.045 per share, totaling Baht 18.20 million and to appropriate legal reserve amounting to Baht 0.97 million.

34.6 According to The Board of Directors' Meeting of Mantra Asset Company Limited No. 1/2014 on February 18, 2014 it was approved to distribute dividend for the year 2013 at the rate of Baht 1.93 per share, totaling Baht 1.93 million and provided legal reserve amounting to Baht 0.10 million.

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 19, 2014.

[Blank Page]



AQUA CORPORATION

AQUA CORPORATION PUBLIC COMPANY LIMITED

121/68-69 RS Tower, 21st Floor, Ratchadapisek Road, Din-Daeng, Bangkok 10400 Tel. (+66) 2-694-8888 Fax. (+66) 2-694-8880, (+66) 2-694-8889
121/68-69 อาคารอาร์เอสทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงดินแดง เขตดินแดง กรุงเทพฯ 10400 โทร. (+66) 2-694-8888 แฟกซ์ (+66) 2-694-8880, (+66) 2-694-8889