



TSF

ThreeSixtyFive
Everyday Creative Media



ANNUAL REPORT 2013

รายงานประจำปี 2556



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OUR PRODUCTS

- ป้ายโฆษณาใจกลางกรุงเทพฯ
 - ป้ายโฆษณาบนทางเท้า (Pole Mounted, Mupi)
 - ป้ายโฆษณาอาคารประจําทาง (Panoramic)
 - ป้ายโฆษณาบนทางเท้า Pole Mounted LED Digital
- โฆษณานบนรถพื่นสํการะในสนามบ้นสุวรณภูมิ (Trolleys)
- พื่นที่โฆษณา และแสดงสินค้าในสนามบ้นสุวรณภูมิ (Floor Display)
- สือโฆษณาบนจอ LCD บริเวณสายพานรับสํการะผู้โดยสารในสนามบ้นสุวรณภูมิ (Motion Ad)
- ป้ายโฆษณาสะพานเทียบเครื่องบ้นทั้งด้านใน และด้านนอกของสนามบ้นภูมิภาค
- รายการโทรทัศน์ ช่อง 9 อสมท.
- วางแผน และจัดกิจกรรมส่งเสริมการตลาด (Event and Organizer)
- วางแผนส่งเสริมภาพลักษณ์องค์กร ดูแลงานโฆษณา และประชาสัมพันธ์ทุกสือ (Advertising and PR)



POLE MOUNTED



PANORAMIC



MUPI

PRIME LOCATIONS

“สิ่งแรกที่เราไม่ใช้แค่สือที่ครอบคลุมพื่นที่ทั่วกรุงเทพฯ แต่ต้องเป็นสือที่อยู่ในทำเลที่ดีที่สุด”

ไม่ว่าจะป้ายโฆษณาบนทางเท้า (Pole Mounted, Mupi) กว่า 3,000 ป้าย อาคารประจําทาง (Panoramic) กว่า 350 ป้าย ตลอดเส้นทางสายสำคัญอยู่ในจุดที่มีการจราจรคับคั่งตลอดวัน อาทิ เส้นทางถนนสาทร สุภูมิวิภา พระราม 4 พญาไท ประชาชื่น เพชรบุรีตัดใหม่ พลโยธิน เป็นต้น และอีกทั้ง 7 จังหวัด กระจายตัวทั่วภูมิภาค ทั่วประเทศไทย ได้แก่ เชียงใหม่, พัทยา, พิษณุโลก, ขอนแก่น, ชลบุรี, อุบลราชธานี และหาดใหญ่



VISION

Leading in Creative Media
of ASEAN

MISSION

- Creative Media Solutions
- Strategic Partner
- Great People
- Continuous Improvement

VALUES

- Trust
- Honesty
- Commitment
- Think Difference

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ข้อมูลทางการเงินโดยสรุป

FINANCIAL HIGHLIGHT

บริษัท กรังด์ปรีซ์ จำกัด (มหาชน)

หน่วย : ล้านบาท / Unit : THB in Million

	2556 / 2013	2555 / 2012	2554 / 2011
สินทรัพย์			
ASSETS			
สินทรัพย์รวม	655.04	453.22	376.23
Total assets			
ลูกหนี้การค้าและตัวเงินรับสุทธิ	179.51	148.20	160.03
Account receivables(Net)			
หนี้สินและส่วนของผู้ถือหุ้น			
LIABILITIES & SHAREHOLDERS' EQUITY			
หนี้สินรวม	118.20	192.58	69.90
Total liabilities			
ส่วนของผู้ถือหุ้น	536.84	260.64	306.33
Total equity			
ผลการดำเนินงาน			
INCOME STATEMENT			
รายได้จากการดำเนินงาน	452.44	264.28	236.97
Total revenues			
ค่าใช้จ่ายจากการดำเนินงาน	773.44	343.09	224.07
Total expenses			
กำไร (ขาดทุน) สุทธิหลังภาษี	(320.23)	(65.42)	14.95
Net Profit (Loss) After Tax			
อัตราส่วนทางการเงิน			
FINANCIAL RATIOS			
อัตราส่วนสภาพคล่อง	3.00	1.04	3.01
Current Ratio			
อัตราส่วนสภาพคล่องหมุนเร็ว	4.52	1.04	3.01
Quick Ratio			
อัตราส่วนหมุนเวียนลูกหนี้การค้า	3.82	2.64	3.42
Account receivables Turnover			
ระยะเวลาถ่วงเฉลี่ยการเก็บหนี้	94.00	136.00	105.00
Average Collection Period			
อัตราส่วนหมุนเวียนของสินทรัพย์	0.74	0.57	0.66
Total Assets Turnover			
อัตราส่วนหนี้สินต่อส่วนของผู้ถือหุ้น	0.22	0.74	0.23
D/E Ratio			
ความสามารถในการชำระดอกเบี้ย	(87.31)	(12.87)	26.19
Interest Coverage Ratio			
อัตราส่วนแสดงความสามารถในการทำกำไร			
PROFITABILITY RATIOS			
อัตรากำไร (ขาดทุน) สุทธิ (%)	(77.69)	(27.49)	6.33
Net Profit (Loss) Margin (%)			
อัตราผลตอบแทนสินทรัพย์ (%)	(57.79)	(15.77)	4.15
Return on Assets (%)			
อัตราผลตอบแทนผู้ถือหุ้น (%)	(81.23)	(23.08)	5.62
Return on Equity (%)			

สารจากประธานกรรมการ

MESSAGE FROM THE CHAIRMAN

เรียนท่านผู้ถือหุ้น

ปี 2556 เป็นปีแห่งการขยายพื้นที่และปรับปรุงป้ายโฆษณาศาลาที่พักผู้โดยสารประจำทางรวมถึงป้ายโฆษณาบนทางเท้าในเขตกรุงเทพมหานคร. จึงยังไม่เห็นการเติบโตของรายได้ แต่ยังคงถือว่าเป็นปีที่สามารถสร้างโอกาสทางธุรกิจให้กับบริษัท และเป็นการเสริมความแข็งแกร่งในการโฆษณาให้กับลูกค้า โดยการขยายพื้นที่จุดติดตั้งป้ายโฆษณาได้ครบทุกภูมิภาคในประเทศไทย ซึ่งถือว่าการดำเนินการสำเร็จตามยุทธศาสตร์หลักของบริษัทที่จะขยายป้ายโฆษณาไปยังหัวเมืองสำคัญทั่วประเทศตามแผนยุทธศาสตร์ เป็ดประตูสู่ ASEAN ของภาครัฐและเอกชน

และในปี 2557 จะเป็นปีที่เน้นการสร้างรูปแบบป้ายโฆษณาในแคมเปญต่างๆ ให้หลากหลายมากขึ้น เช่น ป้ายบวกล้อ ONLINE และปรับบางส่วนให้เป็นป้ายดิจิทัลขนาดเล็ก เพื่อตอบสนองความต้องการของตลาด โดยเน้นจุดติดตั้งในทำเลที่เป็นกลุ่มเป้าหมายของผู้ซื้อ เพื่อสร้างผลประกอบการให้เติบโตทั้งรายได้และกำไร และบริษัท ไม่ได้หยุดที่จะขยายการลงทุนในด้านอื่นๆ เพื่อสร้างผลกำไรให้เพิ่มขึ้น โดยในอนาคตบริษัท มีโครงการร่วมกับบริษัท Clear Channel International เปิดขายป้ายโฆษณาโดยมีกลุ่มลูกค้าชาวต่างชาติในประเทศสิงคโปร์และประเทศเพื่อนบ้านเป็นกลุ่มเป้าหมายหลัก เพื่อเพิ่มฐานลูกค้าและสร้างชื่อเสียงให้เป็นที่รู้จักมากขึ้นในธุรกิจสื่อโฆษณานอกบ้านทั้งในประเทศและต่างประเทศ

นอกเหนือจากเป้าหมายหลักในการเป็นผู้นำสื่อโฆษณานอกบ้านอันดับหนึ่งของประเทศไทยในด้านทำเลที่ตั้งที่ดีที่สุดและเสริมความแข็งแกร่งในการโฆษณาของลูกค้าให้ด้วยจุดติดตั้งป้ายโฆษณาที่กระจายตัวทุกภูมิภาคทั่วประเทศแล้วนั้น TSF ยังคงมุ่งมั่นพัฒนาสื่อภายในบ้านโดยการผลิตรายการทีวีคุณภาพ ตลอดจนการนำเทคโนโลยีใหม่ๆ เข้ามาสร้างมูลค่าเพิ่มให้กับลูกค้า และผู้บริหาร ครอบคลุมไปถึงงานด้านกิจกรรมประชาสัมพันธ์ กิจกรรมทางการตลาด และงานโฆษณาต่างๆ และการตลาดอื่นๆ โดยวางเป้าหมายจะเป็นผู้นำแบบครบวงจร ทั้งสื่อภายในและสื่อภายนอกบ้านและให้บริการด้านโฆษณาและประชาสัมพันธ์แบบครบวงจร

ในนามของคณะกรรมการบริษัท ทริซิกต์ไฟว์ จำกัด (มหาชน) ขอขอบพระคุณท่านผู้ถือหุ้น ลูกค้า คู่ค้า ผู้มีอุปการคุณ นักลงทุน พนักงาน และสื่อมวลชนทุกแขนงที่ได้ให้ความไว้วางใจ เชื่อมั่น ตลอดจนให้การสนับสนุนด้วยดีเสมอมา รวมถึงระบบการกำกับดูแลจากผู้ตรวจสอบและกรรมการอิสระภายนอก ที่ช่วยให้เกิดการพัฒนาและรักษาไว้ซึ่งรูปแบบการให้บริการอย่างมืออาชีพและยกระดับธรรมาภิบาลขององค์กรให้โปร่งใส ตรวจสอบได้ตลอดมา

TO : VALUED SHAREHOLDERS

In 2013, it has been a year of expanding territory and improving advertisement boards in bus shelter areas and street furniture on Bangkok sidewalks. Accordingly, the revenue was not significantly increased but the Company was able to acquire new business opportunity to strengthen advertising potentials for the customers by expanding advertising points to cover all regions in Thailand meeting its main strategy to expand advertisement boards to major cities in accordance with strategic plan.

In 2014, the Company will emphasize on creating advertisement boards in different designs for different campaigns for instance, advertisement boards with online media. The Company will also modify a part of its advertisement boards into small digital boards to meet market demand. By emphasizing on installation points where advertisements can reach the target groups of the customers, the operating results especially revenue and profit will rise accordingly. In addition, the Company will continue to invest in different sectors in order to generate more profit. This year, the Company will jointly operate with Clear Channel International Co., Ltd by establishing Clear Channel International Co., Ltd as its advertising sale agent targeting mainly on international customers in Singapore and neighbouring countries. This is to expand its customer base and reputation to domestic and overseas advertising business.

Apart from the goal in becoming the leader in out of home media in Thailand with the best advertising location that will empower customers' advertisement covering advertising spots in every region in the country, TSF still determines to improve its out of home media by producing quality TV shows with Kantana Group PCL and MCOT PCL as well as incorporating new technologies to create value added to the customers and consumers covering public relations activities, marketing activities and other advertisements and marketing The Company aims to become a leader providing complete range of services both indoors and out of home media as well as full advertisement and public relations services.

On behalf of the Board of Directors of THREESIXTYFIVE Public Company Limited, I would like to express my gratitude to shareholders, customers, partners, supporters, investors, employees and every field of mass media for your continuing supports. Also, I would like to express my appreciation to the auditors and independent directors for their governance which helps develop and maintain our professional services and elevate good governance to always be accountability and transparency.



นายอรัญ อภิচারิ

ประธานกรรมการ

MR. ARAN APICHARI

Chairman of the Board

คณะกรรมการบริษัท

BOARD OF DIRECTORS



นายอรัญ อภิচারิ

ประธานกรรมการ

MR. ARAN APICHARI

Chairman of the Board

พลเอก วิชิต ยาทิพย์

ประธานกรรมการ

ตรวจสอบ

GEN. VICHIT YATHIP

Chairman of the

Audit Committee

**พลเอก รังสฤษดิ์
แจ้งเจนกิจ**

กรรมการ /

กรรมการตรวจสอบ

**GEN. RANGSARID
CHAENGCHENKIT**

Director /

Audit Committee

**นาวาอากาศเอก
ธีรชัย จินต์แสวง**

กรรมการ /

กรรมการตรวจสอบ

**GP. CAPT. THUCHCHAI
GINSAWAENG**

Director /

Audit Committee



**นางสาวนิลบล
เครือพันธุ์**

กรรมการ /
กรรมการตรวจสอบ

**MISS NILUBOL
KREUANOPARAT**

Director /
Audit Committee

นายกำพล ตติยทวี

กรรมการ /
กรรมการบริหาร

**MR.KAMPOL
TATIYAKAVEE**

Director /
Executive Committee

นายนิพัทธ์ ปิ่นแสง

กรรมการ

MR.NIPAT PINSEANG

Director

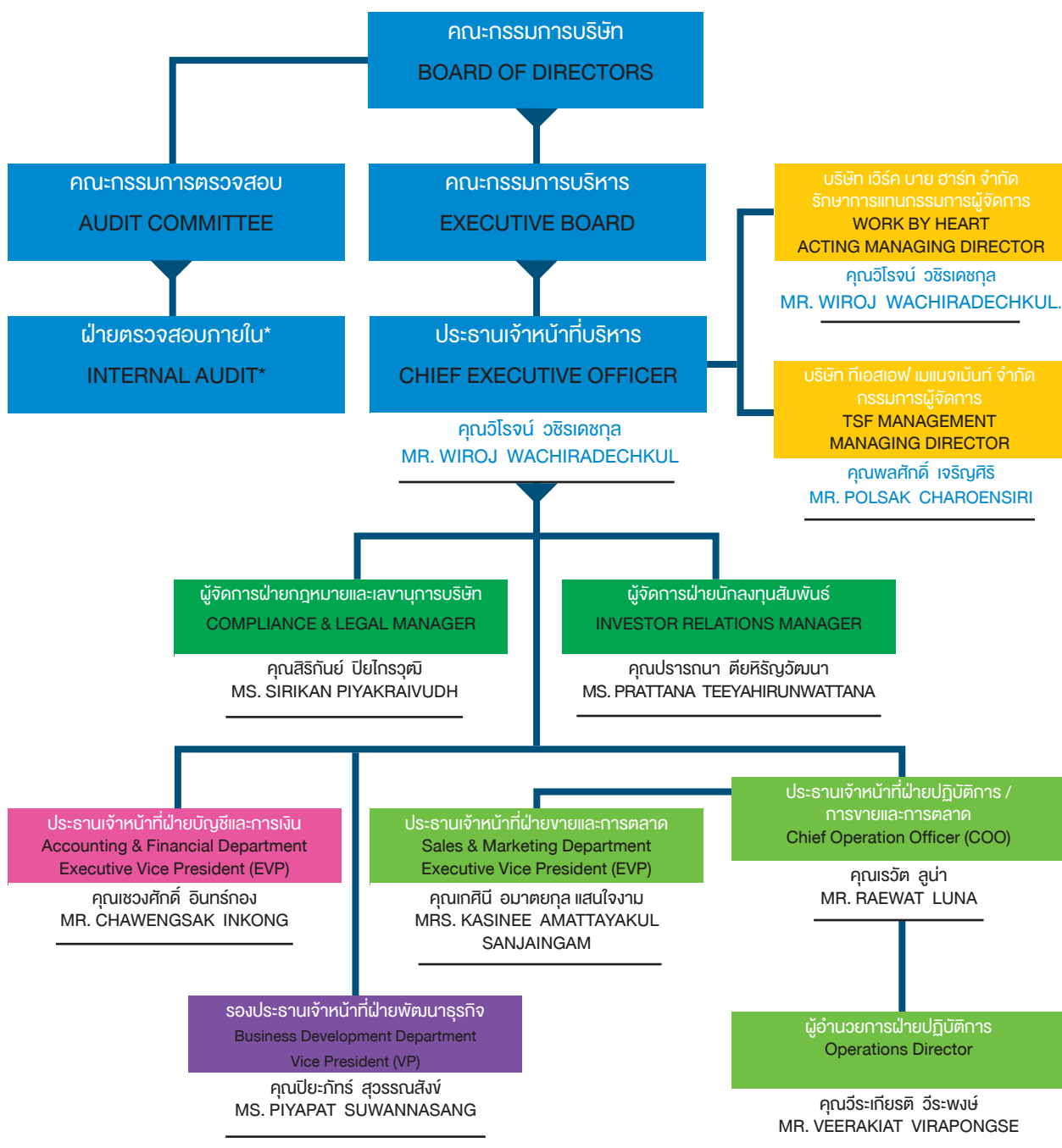
ผังโครงสร้างองค์กร

ORGANIZATION CHART

โครงสร้างการจัดการของบริษัท ณ วันที่ 31 ธันวาคม 2556 สรุปได้ดังนี้

COMPANY'S MANAGEMENT STRUCTURE AS OF 31 DECEMBER 2013

CAN BE SUMMARIZED AS FOLLOWS:



หมายเหตุ : *บริษัทว่าจ้างบริษัทและบุคคลภายนอกเพื่อดำเนินงานในส่วนดังกล่าวให้กับบริษัท

Note : *The Company hired other companies and outside source to operate the aforementioned section.

NATURE OF BUSINESS

ลักษณะการประกอบธุรกิจ

BACKGROUND AND SIGNIFICANT DEVELOPMENT

ThreeSixtyFive Public Co., Ltd. ("Company"), formerly 124 Communications Public Co., Ltd., was registered as a juristic person under a private limited company category on 17 August 1989 and was converted into a public company limited on 19 May 2005, have registration number 0107548000340 and was registered for the name amendment to ThreeSixtyFive Public Co., Ltd. on 2 July 2010. The head office was formerly located at number 283/98, Home Place Office Building, 20th floor, Soi Sukhumvit 55, Khlong Tan-Nuea, Watthana, Bangkok but registered for the office relocation later to No. 123 Sun Tower, Building. B, 34th floor, Vibhavadi-Rangsit Rd., Jompol, Chatuchak, Bangkok on 1 February 2013.

OVERVIEW OF THE COMPANY'S AND ITS SUBSIDIARIES' BUSINESS OPERATIONS

ThreeSixtyFive Public Co., Ltd.'s business is in advertising media and public relations. By the year 2013, the Company had established 3 subsidiaries and in the last quarter of 2013 the Company had restructured its subsidiaries to enhance management efficiency. The details of the operations of the three subsidiaries are as follows:

(1) TSF Management Co., Ltd., (formerly JCD Management Co., Ltd., was registered as a juristic person on 26 June 2006 and registered for the name amendment on 9 August 2011, provided that the company decided to purchase shares TSF Management Co., Ltd. in the second quarter of 2011), is engaging in the business of administration and provides business advices in all types of Out of Home Media (OHM).

(2) Work by Heart Co., Ltd. (Registered as legal entity on 22 October 2009) is engaging in the business of providing consulting, advisory and planning for all types of advertising- public relations.

(3) Koa-Sha Media (Thailand) Co., Ltd. (registered as legal entity on 18 May 2011) is engaging in all types of advertising and public relations business. It set up a joint venture with a Japanese company which won the bidding for the Airport Rail Link project (ARL) (ThreeSixtyFive Public Co., Ltd. sold all shares of Koa-Sha Media (Thailand) Co., Ltd to Koa-Sha International Co., Ltd on 31 January 2013. Therefore Koa-Sha Media (Thailand) Co., Ltd. is no longer holds status as a subsidiary of the Company.)

The Group companies have been organizing to separated line of services to be rendered to customers in order to encourage a clearer management structure in its business operations. ThreeSixtyFive Public Co., Ltd emphasizes on operating the services business of advertising and public relations medias including organizing projects for government sector, public enterprises and the private company focusing on acting as a representative in locating possible channels to publicise advertising media as a mean for customer's public relations scheme such as large advertisements billboards and other various advertising media, e.g. TV and radio station, prints as well as organizing work projects. The Company is undertaking the work from the beginning of the projects so as to comply with predetermined terms and conditions within specified time.

In late 2012, the Company participated in bidding on important projects with the Bangkok Metropolitan Administration and was awarded 3 maintenance and installation projects for bus shelters in Bangkok areas. The Company shall receive

the interest from that advertisement points specified by Bangkok Metropolitan Administration. The right on the first 2 projects was set for 9 years while the third project was for the period of 6 years.

In 2013, the Company rent advertising boards at jet bridge 6, Airport and in the middle of 2013, the Company was granted the right on advertisement boards from Chiang Mai Municipality.

REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

Revenue structure of the Company and its subsidiaries can be classified by the nature of services, from the year 2011-2013 as follows:

Type of Business	2013		2012		2011	
	Million Baht	%	Million Baht	%	Million Baht	%
ThreeSixtyFive Public Co., Ltd.						
Revenue from Advertising & Public Relations	39.10	9.49	55.96	23.52	194.22	44.01
Revenue from Public Relations Projects	58.14	14.10	33.04	13.89	42.00	17.78
Revenue from billboard Bangkok City Hall Project***	212.96	51.66	24.73	10.39	-	-
Revenue from Billboards in Upcountry Area	13.45	3.26	-	-	-	-
Work by Heart Co., Ltd.						
Revenue from Advertising & Public Relations	4.23	1.03	41.14	17.29	32.62	13.81
Revenue from Public Relations Projects	0.58	0.14	-	-	-	-
Revenue from billboard Bangkok City Hall Project	1.88	0.46	-	-	-	-
TSF Management Co., Ltd.*						
Revenue from Advertising & Public Relations	78.36	19.01	69.70	49.29	57.64	24.40
Revenue from Billboards in Upcountry Area	2.40	0.58	-	-	-	-
Koa-Sha Media (Thailand) Co., Ltd.**						
Revenue from Advertising-Public Relations	1.10	0.27	13.38	5.62	-	-
Total	412.20	100.00	237.95	100.00	236.22	100.00

* Note: The above mentioned company has the status as the Company's subsidiary from the purchase of investment of the said company in the second quarter of the year 2011.

**Note: In the year 2013, the above-mentioned company is no longer maintains status as subsidiary because of the transfer of all shares to Koa-Sha International Co., Ltd. on 31 January 2013.

***Note The Company had not yet fully received advertisement boards from the Bangkok Metropolitan Administration and had not been able to generate revenue as expected. Also, the advertisement boards required improvements and repairs and it took times for the Company to create customers' confidence on its advertising boards.

REPORT OF THE AUDIT COMMITTEE

รายงานคณะกรรมการตรวจสอบ

ATTENTION : SHAREHOLDERS OF THREESIXTYFIVE PUBLIC COMPANY LIMITED

Audit Committee of ThreeSixtyFive Public Company Limited, is consisting of 4 independent auditors i.e. General Vichit Yathip, Chairman of Audit Committee, General Rangsarid Chaengchenkit Group Captain Thuchchai Ginsawaeng and Miss Nilubol Kreuanoparat – both are Audit Committee Member.

In 2013, there were a total of 4 Audit Committee meetings:

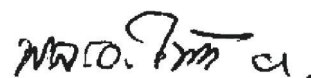
1. General Vichit Yathip	Chairman of the Audit Committee	attended 4 meetings
2. General Rangsarid Chaengchenkit	Member of the Audit Committee	attended 4 meetings
3. Group Captain Thuchchai Ginsawaeng	Member of the Audit Committee	attended 4 meetings
4. Miss Nilubol Kreuanoparat	Member of the Audit Committee	attended 2 meetings

The Audit Committee has performed the duties under the scope and responsibilities as summarized below:

1. Review the Company's quarterly financial statements as well as annual financial statements as of 2013, which were prepared in accordance with generally accepted accounting principles. Listen to explanations from the Company's auditor and accounting executives to ensure that such financial statements disclose accurate and complete information.
2. Review connected transactions and disclosed connected transactions with the persons who may have conflict of interest in order to comply with the authority's requirements.
3. Review the Company's internal control system, approve audit plans and follow up internal audit results which are sufficient and appropriate for the on-going business.
4. Review that the operations are accurate and in compliance with securities regulations and regulations of the Stock Exchange of Thailand as well as related laws.

Regarding the above-mentioned review, the Audit Committee did not find any significant errors that may have impact on the Company's financial statements and have already reported the Committee's results to the Company's Board of Directors.

As for the accounting period 2014, Audit Committee proposed to the company's Board of Directors to select Mr. Surachai Damnoenwong, Certified Public Accountant (Thailand) No. 4721 or Ms. Lehum Chinnapan, Certified Public Accountant (Thailand) No. 7306 of RSM Audit Services (Thailand) Co., Ltd. be appointed as the Company's auditor, to be authorized to conduct the audit and provide an opinion on the annual financial statements of the Company. The audit fee will depend on the shareholders' approval during the Annual General Shareholder's Meeting which will be held on 9 April 2014.



GENERAL VICHIT YATHIP

Chairman of the Audit Committee

RISK FACTOR

ปัจจัยความเสี่ยง

RISK FROM ECONOMIC AND POLITICAL UNCERTAINTY

Growth in advertising media heavily depends on the overall economic condition of the country. If the overall economy is bad shape or if there is uncertainty of business due to various factors such as political instability, exchange rate fluctuations and trend of the increases in oil price and cost of living, etc. These factors will result in the decrease of the population's expenditure and will be the main factors in reducing the advertising budgets of both the public and private sectors, which are the company's major customers at present and in the future. Such uncertainties may affect the company's operating performances.

RISK FORM ADVERTISING BILLBOARD IN BUSINESS OPERATIONS

The Company had implemented risk management measures on billboard advertisements including: reviewing billboard control laws and occurrence of accidents from billboard constructions that were legally approved, hiring construction companies that are up to standard and which have engineers to support and properly inspect the construction, obtaining property and third party insurance for accidents from natural disasters and from the acts of individuals.

RISK FROM BUSINESS STRUCTURE ADJUSTMENT AND INVESTMENT IN NEW PROJECTS

At present, the Company had adjusted its business structure and made investments in various new projects. Therefore, the Company may exposed to the risks in the case that various projects are unable to generate revenues as per the determined targets; or there may be some delays in certain projects, resulting in the Company being unable to recognize its revenue on the determined period; or where various projects require increased capital which exceeds the determined budget, all which affect the Company's performance. The Company is well aware of all these risks and will study, analyze and evaluate related information in order to summarize the operations for new projects clearly and with the minimal risks.

RISK FROM HIGH INVESTMENT

In 2012, the Company expanded its business to public sector by bidding on long-term right from Bangkok Metropolitan Administration (BMA) and was awarded 3 projects. As a result, big amount of working capital was required in order to proceed on the projects. In addition during 2013, the Company was awarded the right on billboard from Chiang Mai Municipality and expanded its billboard business to upcountry. Therefore, the Company exposed to liquidity risk as mentioned during the ordinary shareholder's meeting 1/2556. On April 25, 2013, the meeting had a resolution to approve the Company to increase 903,202,676 registered capital at 0.10 baht per share totaling to 93,020,267.60 baht by issuing 700,202,676 shares at most and allocated proportionally to all existing shareholders with the ratio of 2 existing ordinary shares per 1 new share at 0.75 baht per share.

In 2014 during the extraordinary shareholder's meeting 1/2557 on January 22, 2014, the meeting had a resolution to approve to increase 176,928,013 baht registered capital divided into 1,769,280,130 shares with a par value of 0.10 baht; allocating 803,442,298 shares to all existing shareholders proportionally with the ratio of 3 existing ordinary shares per 1 warrant unit at 0.40 baht per share. The subscription date was set during February 12 – 19, 2014.

RISK OF DEPENDENCE ON PERSONNEL

The Company's business is service oriented, which relies highly on personnel in contacting customers and creating creative works e.g. experienced and skilled top management, marketing department and operations departments are important assets supporting the Company's success. Therefore, the Company places great importance on recruiting knowledgeable and capable employees. However, the Company also has measures to reduce the risk of losing such personnel by placing importance on their development and supporting the employees' participation in the Company's operations as well as to grow alongside the Company's success.

CAPITAL STRUCTURE

โครงสร้างการถือหุ้น

THE COMPANY'S SECURITIES

Registered Capital and Issued and Paid-Up Capital

As at 31 December 2013, the Company has registered capital of Baht 281,143,335.70 consisting of 2,811,433,357 ordinary shares, with a par value of Baht 0.10 per share and has an issued and paid-up capital of Baht 241,032,689.50 divided into 2,410,326,895 ordinary shares with a par value of Baht 0.10 per share.

Warrants to exercise rights to purchase the Company's ordinary shares offered to existing shareholders. (TSF-W2)

The Company has issued warrants to purchase the Company's ordinary shares, which was allotted to existing shareholders according to the proportion of their shareholding, with the details as summarized below:

No. of warrants issued and offered	: 514,826,453 Units
No. of outstanding warrants	: 246,164,900 Units
No. of shares issued to support warrants	: 341,106,462 Shares
Date of issue and offer of warrants	: 15 May 2012
Terms to exercise rights	: On the last business day of February, May, August and November of each year. The first exercise date is 31 August 2012 and the last exercise date is 14 May 2015
Warrants life	: Not more than 3 years from the issuing date
Exercise ratio to buy ordinary shares*	: 1 warrant unit is entitled to purchase 1.31986 ordinary share
Exercise price to buy ordinary shares*	: Baht 0.227 per share (Thirty Satang per share)

* Note: : The abovementioned are the new exercise ratio and new exercise price after adjustments of the rights (the original exercise ratio was 1 warrant per 1 new ordinary shares and the original exercise price was 0.30 Baht per share), Due to the issue and offer ordinary shares at 90 percent below market value according to the resolution of ordinary shareholder's meeting 1/2556 on April 25, 2013.

Results of the exercise of the right to purchase ordinary shares in accordance to the warrant TSF-W2, No. 6, on 29 November 2013 are as follows:

Total warrants eligible to exercise rights at this time	266,172,100 Units
- No. of warrants exercised this time	20,007,200 Units
- No. of outstanding warrants	246,164,900 Units
- No. of ordinary shares allotted for this exercise	246,164,900 Shares
- No. of outstanding shares allotted to support the exercise of warrants	341,106,462 Shares

SHAREHOLDERS

The 10 largest shareholders of the Company, as appears in the Shareholders' Register as at 29 January 2014, can be summarized as follows:

	No. of Shares	%
Thai NVDR Co., Ltd.	55,430,564	2.30
Ms. Orawan thongdee	31,340,000	1.30
Mr. Pirajet Suwannapasri	31,000,000	1.29
Mr. Tanavit Tanameechai	28,653,000	1.19
Mrs. Wanna Suralertrungsi	28,177,556	1.17
Mr. Sitthichai Limsowan	26,670,000	1.11
Mr. Somchai Thuntaleka	22,575,000	0.94
Mr. Somchai Anothaiyuenyong	20,000,016	0.83
Mr. Vorapon Sirichotbandit	19,289,800	0.80
Ms. Ratchada Wannaririkun	18,000,000	0.75
Total	281,135,936	11.68

DIVIDEND PAYMENT POLICY

The Company's dividend payment policy is at the rate of at least 50% of net profit after tax deduction and legal reserve. However, such a dividend payment may be changed based on the investment plan, necessity and other appropriateness for the future. The distribution is under the condition that such action must generate the highest benefits to the shareholders e.g. used as reserve for loan repayment, used as investment for business expansion or, in case there is any change in the market condition affecting the company's future cash flow. This authority is given to the Board of Directors for their consideration. Nevertheless, any Board of Directors' resolution approving a dividend payment must be proposed to the shareholders' meeting for approval, except for the interim dividend payment, which the Board of Directors are authorized to approve this payment and to report the decision to the next shareholders' meeting for acknowledgement.

GENERAL INFORMATION

ข้อมูลทั่วไป

COMPANY NAME	: THREESIXTYFIVE PUBLIC COMPANY LIMITED (TSF)
Business type	: Media, advertisement and public relations
Head office	: No. 123 Sun Tower, Bldg. B, Room 3402, 34th floor, Vibhavadi-Rangsit Rd., Jompol, Chatuchak, Bangkok, THAILAND 10900
Registration No.	: 0107548000340
Home Page	: www.365PCL.com
Telephone	: 0-2617-6171
Facsimile	: 0-2617-6170
Registered capital (31st Dec. 2013)	: 2,811,433,357 shares, par value of Baht 0.10 per share, totaling Baht 281,143,335.70
Paid-up capital (31st Dec. 2013)	: 2,410,326,895 shares, par value of Baht 0.10 per share, totaling Baht 241,032,689.50
Registrar	: Thailand Securities Depository Co., Ltd.
Office	: 62, the Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110 Telephone: 0-2229-2800 Facsimile: 0-2359-1259
Auditor	: RSM Audit Services (Thailand) Limited : Surachai Damnoenwong : CPA License No. 4721
Office	: 26/F Sathorn City Tower, South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120 Thailand, Telephone: 0-2670-9002-6 Facsimile: 0-2670-9027-8
Shareholders' Business Dept.	: Ms. Prattana Teeyahirunwattana E-mail: Prattana.T@365pcl.com Telephone: 0-2617-6171 Facsimile: 0-2617-6170
Company's Secretary	: Ms. Sirikan Piyakraivudh E-mail: Sirikan.P@365pcl.com Telephone: 0-2617-6171 Facsimile: 0-2617-6170

SUBSIDIARIES

COMPANY 1

COMPANY NAME	: WORK BY HEART COMPANY LIMITED
Objective	: Consulting, advising and planning for all types of advertising and public relations
Office	: No. 123 Sun Tower, Bldg. B, Room 3402, 34th floor, Vibhavadi-Rangsit Rd., Jompol, Chatuchak, Bangkok, THAILAND 10900
Registration No.	: 0105552114638
Telephone	: 0-2617-6171

COMPANY 1 [CONTINUED]

Facsimile	:	0-2617-6170
Registered capital	:	Baht 5,000,000 (Five Million Baht)
No. of shares	:	500,000 Shares (Five Hundred Thousand Shares)
Par value	:	Baht 10 (Ten Baht)
Shareholding Proportion	:	ThreeSixtyFive Public Company Limited holds 100% of the shares

COMPANY 2**COMPANY NAME : TSF MANAGEMENT COMPANY LIMITED**

Objective	:	Managing, consulting regarding business operations as well as and acting as a representative in business operations
Office	:	19/11 2nd-4th Floor, Soi Soonvijai, Rama 9 Road, Bangkok, Huaykwang, Bangkok
Registration No.	:	0105549076194
Telephone	:	0-2031-5012
Facsimile	:	0-2641-5470
Registered capital	:	Baht 55,000,000 (Fifty - five Million Baht)
No. of shares	:	550,000 Shares (Five hundred and fifty Thousand Shares)
Par value	:	100 Baht (One Hundred Baht)
Shareholding Proportion	:	ThreeSixtyFive Public Company Limited holds 100% of the shares

COMPANY 3**COMPANY NAME : KOA-SHA MEDIA (THAILAND) COMPANY LIMITED***

Objective	:	Operates all types of advertising and public relation businesses
Office	:	399 Interchange 21st Floor, Sukhumvit Road, Klongtoey-Nua, Wattana, Bangkok
Registration No.	:	0105554064026
Telephone	:	0-2611-2833
Facsimile	:	0-2611-2903
Registered capital	:	Baht 50,000,000 (Fifty Million Baht)
No. of shares	:	50,000 Shares (Fifty Thousand Shares)
Par value	:	Baht 100 (One Hundred Baht)
Shareholding Proportion	:	ThreeSixtyFive Public Company Limited holds 51% shares

*Note: On 31st January 2013, Koa-Sha Media (Thailand) Company Limited no longer holds the status as the Company's subsidiary as the Company had sold all KMT shares of Koa-Sha Media (Thailand) Co., Ltd to Koa-Sha International Co., Ltd.

MANAGEMENT PROFILE

ประวัติคณะกรรมการ

1. MR. ARAN APICHARI (CHAIRMAN OF THE BOARD)

Date/Month/Year : 27 August 1957

Education Background

- : Program : “Chief Executive : Capital Market Academy” (CMA. Batch 15)
- : Program: “Certification Thai Institute Of Director” Batch: 149
Director Certification Program (DCP), Thai Institute of Directors Association (IOD)
- : Program: “Public Economic Management for Executives” Batch 5 King Prajadhipok’s Institute
- : Master Degree: NATIONAL UNIVERSITY, U.S.A. (Public Administration)
- : Bachelor Degree: PORTLAND STATE UNIVERSITY, U.S.A. (Criminology)

Work Experience

- | | | | |
|-------------|---|-----------------------------------|--|
| Present | : | Chairman of the Board of Director | ThreSixtyFive Public Co., Ltd. |
| 2011 | : | Board of Director | Transporation Co., Ltd |
| 2011 | : | Director | Bangkok Mass Transit Authority |
| 2007 - 2011 | : | Director of Loyalty Marketing | Thai airways International Public Co.,Ltd. |
| 2004 - 2007 | : | Director of Customer Relations | Thai airways International Public Co.,Ltd. |

2. GEN. VICHIT YATHIP (CHAIRMAN OF THE AUDIT COMMITTEE)

Date/Month/Year : 5 May 1946

Education Background

- : National Defence College (NDC 399)
- : Program: “Director Certification Program” Batch: 105 Thai Institute of Directors Association (IOD)
- : Program: “Role of Chairman Program” Batch: 18 Thai Institute of Directors Association (IOD)
- : Program: “Chief Executive Capital Market Academy (CMD. Batch 7) of Stock Exchange of Thailand
- : Program: “Advance Certificate Course in Politics and Governance in Democratic Systems for Executives” King Prajadhipok’s Institute (KPI 12)

Work Experience

- | | | | |
|---------|---|---------------------------------|-----------------------------------|
| Present | : | Chairman of the Audit Committee | ThreSixtyFive Public Co., Ltd. |
| 2011 | : | Chairman of the Board | Metropolitan Waterworks Authority |
| 2009 | : | Director | TOT Public Co., Ltd. |

3. GEN. RANGSARID CHAENGCHENKIT (DIRECTOR / AUDIT COMMITTEE)

Date/Month/Year : 22 September 1951

Education Background

- : Year 2004 : National Defence College
- : Year 1993 : Air Command and Staff College, Royal Thai Air Force
- : Year 1975 : Chulachomklao Royal Military Academy
- : Year 1969 : Armed Forces Academies Preparatory School
- : Certificate in Director Accreditation Program, Thai Institute of Directors Association, Batch: 85/2010

Work Experience

Present	: Audit Committee	ThreSixtyFive Public Co., Ltd.
1988 - present	: Consultant	Siam Winery Trading Plus Co., Ltd.
2006 - present	: Consultant	Box Office Entertainment Co., Ltd.
2006 - 2007	: Director	Live Incorporation Public Co., Ltd.

4. GP.CAPT. THUCHCHAI GINSAWAENG (DIRECTOR / AUDIT COMMITTEE)

Date/Month/Year : 2 October 1956

Education Background

- : Master of Business Administration (Business Laws) Ramkhamhaeng University 2007
- : Bachelor of Business Administration (Accounting) Ramkhamhaeng University 1979
- : Certificate in Director Accreditation Program, Thai Institute of Directors Association, Batch: 82/2010

Work Experience

Present	: Audit Committee	ThreSixtyFive Public Co., Ltd.
Present	: Independence Auditor	
2008 - Present	: Permanent Professor	Accounting Faculty, Ratchaphruek College
2007 - 2012	: President of Tax Auditor Association	
2007 - 2008	: Social Professor	PhranakhonRajabhat University

5. MISS NILUBOL KREUANOPARAT (DIRECTOR / AUDIT DIRECTOR)

Date/Month/Year : 18 January 1953

Education Background

- : Master of Economics : Ramkhamhaeng University
- : Bachelor of Economics : Kasetsart University

Work Experience

- Present** : Audit Committee Member : ThreeSixtyFive Public Co., Ltd.
- 2011 : Deputy Director Bureau of the Budget
- 2009 : Senior Advisor Bureau of the Budget
- 2008 - 2009 : Director National Security Budget Office
- 2007 - 2008 : Director General Administration Office

6. MR. KAMPOL TATIYAKAVEE (DIRECTOR / EXECUTIVE COMMITTEE)

Date/Month/Year : 9 November 1959

Education Background

- : Master Degree: Industrial Engineering University of Texas at Arlington
- : Bachelor Degree: Faculty of Engineering (Chemical Engineering) Chulalongkorn University
- : Certificate Director Certification Program (DCP74) Thai Institute of Directors Association

Work Experience

- Present** : Director ThreeSixtyFive Public Co., Ltd.
- 2010 - Present : Director/ Chief Executive Officer We Retail Public Co., Ltd.
- 2010 - 2012 : Director State Enterprise Policy Office
- 2008 - 2010 : Director/ Chief Executive Officer Pataya Food Industries Co., Ltd.
- 2006 - 2008 : Managing Director President Siam Food Products Public Co., Ltd.
- 2003 - 2006 : Managing Director Kimball Electronics (Thailand) Co., Ltd.

7. MR. NIPAT PINSEANG (DIRECTOR)

Date/Month/Year : 30 August 1960

Education Background

- : Barrister Institute of Legal Education Thai Bar Association
- : Bachelor Degree Faculty of Law Ramkhamhaeng University

Work Experience

- Present** : Director ThreeSixtyFive Public Co., Ltd.
- 2012 - Present : Managing Director Nipat Pinseang Law Firm Co., Ltd.
- 2007 - 2011 : Managing Director Nipat and Partners Legal Consultant Co., Ltd

MANAGEMENT STRUCTURE

โครงสร้างการจัดการ

The Company's management structure consists of the Board of Directors, the Audit Committee, Executive Committee and Executive Board, the details of which are as follows:

BOARD OF DIRECTORS

The Board of Directors consists of 7 members, which are:

NO.	NAME	POSITION
1.	Mr. Aran Apichari	Chairman of the Board / Chairman of Executive Director Committee
2.	General Vichit Yathip	Chairman of Audit Committee / Independent Director
3.	General Rangsarid Chaengchenkit	Audit Committee member / Independent Director
4.	Gp.Capt. Thuchchai Ginsawaeng	Audit Committee member / Independent Director
5.	Miss Nilubol Kreuanoparat	Audit Committee member / Independent Director
6.	Mr. Kampol Tatiyakavee	Director / Executive Committee
7.	Mr. Nipat Pinsaeng	Director

and Mrs.Wimonwan Milindhachinda acting company's secretary until October 1, 2013. The Company appointed Ms. Sirikan Piyakraiwut to act as company's secretary afterwards.

The committees authorized to sign binding the Company are Mr. Aran Apichari, Mr. Kampol Tatiyakavee and Mr. Nipat Pinsaeng. Two out of three committees sign their names together with company seal affixed.

Scope of Responsibilities of the Board of Directors

1. Perform duties in compliance with the laws, the Company's objectives and articles of association as well as resolutions of shareholders' meetings, except for issues that require approval from a shareholders' meeting before implementation, such as the issues which is specified by the laws that required the resolution from the shareholders' meeting, engaging in connected transactions, acquisition or sale of assets and the purchase or sale of significant assets under the criteria of Stock Exchange of Thailand, as determined by other government agencies, etc.
2. Determine or change the authorized Directors who have authority to sign on behalf of the Company.
3. Determine the Company's policies, strategies and operating directions. Monitor the management to effectively and efficiently comply with the determined policies, strategies and operating directions so as to sustainably and optimally increase the economic value to shareholders. Exceptions for policies or operations that

require the consent and approval from a shareholders' meeting.

4. Consider and decide on significant issues e.g. business plan, budget, large investment projects, management authority and any other items as required by law.
5. Evaluate the management's operating performance and determine their remuneration.
6. Be responsible for the management's operating performance and operating results, with dedication and caution in the performance of all duties.
7. Prepare a reliable accounting system, financial report and accounting audit as well as the procedures to evaluate the appropriateness of internal control and internal audit to be effective and efficient, risk management, preparing financial reports and follow-up on such reports.
8. Supervise to avoid any conflicts of interest between the Company and its stakeholders.
9. Determine the rules or regulations within the Company covering various issues.
10. Report the Board of Director's responsibilities in preparing financial report together with the report of the independent auditor in the annual report, which covers various important issues in compliance with the good practices of the Directors of listed companies in Stock Exchange of Thailand.
11. Authority to engage in the following activities can be granted after receiving approval from the shareholders' meeting. However, it is required that a Director, stakeholders or person who may have any conflicts or conflicts of interest in the transactions with the Company or its subsidiaries (if any) will not be entitled to vote on that specific transaction.
 - 11.1. Issues that are specified by law to require a resolution from the shareholders' meeting.
 - 11.2. Transactions that a Director has a conflict of interest and which requires approval from the shareholders' meeting as prescribed by law or the Stock Exchange of Thailand's requirements.
12. Moreover, the following cases require consent from majority votes from the Directors who attend the Board of Directors' meeting and at least 3/4 of all shareholders who are entitled to vote and who attend the shareholders' meeting.
 - 12.1. Sales or transfer of all or significant parts of the Company's businesses to other persons.
 - 12.2. Purchasing or adopting business of another Company or private Company as the Company's own business.
 - 12.3. Prepare, change or terminate the lease of all or significant parts of the Company's businesses, assigning third parties to manage the Company's business or the merging of businesses with a third party of which the objective is to share profit and loss.
 - 12.4. Change or amendment to Company's memorandum or articles of association.
 - 12.5. Increase capital, decrease capital, issue debentures, merge or liquidate the Company.
 - 12.6. Other issues as determined under the provisions of securities law and/or Stock Exchange of Thailand's requirements which must receive consent from Board of Directors' meeting and shareholders' meeting with the above-mentioned votes.
13. The Board of Directors may appoint certain number of committee members to be Executive Board as deemed appropriate so as to perform the duties assigned by the Board of Directors.

Nevertheless, delegation of authorities to the above-mentioned Directors will not include the assignment of authorities to the Executive Directors to approve the transactions that he/she or person who may have conflict, stake or may have a conflict of interest in the transactions with the Company or its subsidiaries (if any), including transactions which must receive approval from shareholders' meeting for connected transactions and the acquisition or sales of the Company's significant assets, in order to comply with the Stock Exchange of Thailand's requirement.

AUDIT COMMITTEE

The Audit Committee consists of 4 Independent Directors, who are:

NO.	NAME	POSITION
1.	General Vichit Yathip	Chairman of Audit Committee / Independent Director
2.	General Rangsarid Chaengchenkit	Audit Committee member/ Independent Director
3.	Miss Nilubol Kreuanoparat	Audit Committee member / Independent Director
4.	Gp.Capt. Thuchchai Ginsawaeng	Audit Committee Member (with financial statements audit knowledge and experience) / Independent Director

Scope of Responsibilities of the Audit Committee

- 1) Review to ensure that the Company prepares accurate financial reports with sufficient disclosure by coordinating with the Company's auditors and the responsible executives in preparing quarterly and annual financial reports. The Audit Committee may recommend the auditor to review or examine any necessary and important transactions while auditing the Company's accounts.
- 2) Review and ensure that the Company has internal control system and appropriate and effective internal audit procedures. Consider the independence of Internal Audit Department and provide consent in appointing, transferring, terminating Internal Audit Chief or any other departments responsible for internal audit by co-reviewing with the Company's auditor as well as the internal auditor.
- 3) Review that the Company's operations comply with Securities and Exchange laws, Stock Exchange's regulations or any laws related to the Company's business.
- 4) Select and propose to appoint an independent person to be the Company's auditor, propose the auditor's remuneration by considering the credibility, resource sufficiency and workload of that particular auditor's office as well as the experiences of the personnel assigned to audit the Company's accounts which will be proposed to the board of Directors for appointment from the shareholders' meeting. The Audit Committee is required to participate in the meeting with the Company's auditor without the management's participation at least once a year.
- 5) Review any connected transactions or the transactions which there may be conflicts of interest to be correct and complete and in compliance with the Stock Exchange's law and requirements, in order to ensure that such transactions are reasonable and provide the optimal benefits to the Company.
- 6) Compile the Audit Committee report by incorporation in the Company's annual report. The Audit Committees' report shall be signed by the chairman of Audit Committee, and shall consist of the following information:
 - a) Opinion on the accuracy, completeness and credibility of the Company's financial report.
 - b) Opinion on the sufficiency of the Company's internal control system.
 - c) Opinion on the compliance to Securities and Exchange laws, Stock Exchange's requirements or any laws related to the Company's business.
 - d) Opinion on the appropriateness of Company's auditor.
 - e) Opinion on any transactions in which conflicts of interest may arise.
 - f) Number of Audit Committee meetings and participation of each Audit Committee member.
 - g) An opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter.
 - h) Other transactions that shareholders and general investors should be aware within the scope of duties

and responsibilities as assigned by the Board of Directors.

- 7) Any other operations assigned by the Company's Board of Directors with the Audit Committee's consent.

In performing the duties, if the Audit Committee finds or suspects that there are any transactions or actions that may significantly impact the Company's financial position and operating performance: (1) transactions causing conflict of interest (2) fraud or extraordinary events or significant faults in the Company's internal control system and (3) violation of securities and exchange law, the exchange's requirements or any laws related to the Company's business, the Audit Committee must report to the Board of Director for further corrective actions.

Audit Committee has the authority to invite the Executive Board, executives or relevant persons to report, express opinions, attend meetings or submit any related and necessary documents. They can also invite the Company's auditor, the internal auditor or any other professional consultants to join the meeting with the Audit Committee when deemed necessary or appropriate.

The Board of Directors has the authority to change or improve the scope of responsibilities of the Audit Committee as deemed necessary or appropriate.

EXECUTIVE BOARD

The Executive Board consisted of 5 persons, which are:

NO.	NAME.	POSITION
1.	Mr. Aran Apichari	Chairman of the Board / Chairman of Executive Director Committee
2.	Mr. Kampol Tatiyakavee	Director / Executive Committee
3.	Mr. Wiroj Wachiradechkul	Chief Executive Officer / Executive Committee
4.	Mr. Polsak Charoensiri	Managing Director / Executive Committee
5.	Mr. Chawengsak Inkong	Executive Committee

Scope of Responsibilities of the Executive Board

- Plan and determine policies, directions, strategies and major management structure in the Company's business operations so that it supports and conforms to the economic conditions and competition nature in the market, for proposed to the Board of Director for approval.
- Determine the Company's business plan, budget and management authority to propose to the Board of Director for further approval.
- Monitor the Company's business operations to comply with the approved business policies, plan and strategies that had been approved by the Board of Director.
- Consider entering into contracts relating to the business of the Company, and contracts relating to the purchase or acquisition of assets for use in the Company's business as well as determine the negotiation procedures and methods on entering into such contracts.
- Approve the investment transactions and determined in the annual expenditure budget which the Board of Director had approved or which the Board of Director has already approved in principle.
- Have authority to hire, appoint, transfer, discharge, terminate, determine wage rate, reward, increase salaries, remuneration and bonus for all employees whose positions are lower than the executive level, and appoint the employer's representative to sit in the Company's Provident Fund Committee.

7. Organizing financial transactions with financial institutions in opening accounts; lending; borrowing; providing credit lines and collateral, to pledge, mortgage, guarantee and others transactions. This includes any sale or purchase and registration of any right in a plot of land according to the objectives for the Company's operating benefits, with the authorization limit being not more than Baht 10,000,000 per transaction.
8. Evaluate the Company's profit and loss and propose the distribution of interim or annual dividends for proposal to the Board of Directors.
9. Perform other transactions to support the above-mentioned activities or as assigned by the Board of Directors in each period.

The Executive Board may sub-authorize employees at management level to approve one or several financial transactions as the Executive Board deems appropriate.

Thus, the approval of the above-mentioned transactions must not allow the Executive Board or the person assigned by the Executive Board to approve any of the transactions that he/she or other person(s) may have conflicts, stakes or any other conflicts of interest (as determined by the Company's rules and the Office of Securities and Exchange Commission's notifications) with the Company or its subsidiaries (if any).

The Board of Directors has the authority to change or improve the scope of authority of the Executive Board as deems necessary or appropriate.

MANAGEMENT TEAM

As of 31 December 2013, the management team consists of 8 persons as follows:

NO.	NAME.	POSITION
1.	Mr. Wiroj Wachiradechkul	Chief Executive Officer / Executive Committee
2.	MR. Raewat Luna	Chief Operation Officer
3.	Mr. Chawengsuk Intakong	Accounting & Financial Department Executive Vice President
4.	Mrs. Kasinee Amattayakul Sanjaingam	Sales & Marketing Department Executive Vice President
5.	Ms. Piyapat Suwannasang	Business Development Department Vice President
6.	Mr. Veerakiat Virapongse	Operation Director
7.	Ms. Sirikan Piyakraivudh	Compliance & Legal Manager
8.	Ms. Prattana Teeyahirunwattana	Investor Relations Manager

Scope of Responsibilities of Chief Operating Officer (CEO)

1. Perform in accordance with visions and policies prescribed by the Company's Executive Board and/or Board of Directors
2. Attend meeting with the Company's Executive Board and Board of Directors in order to report information regarding work performance and operational results including response to opinions, advices and undertake to implement those policies
3. Hire and enter into employment agreement with the Company's employee, change employee's position, give verbal and written warning, punish, set parole, and terminate employee's employment subject to the Articles of Association and relevant legislations provided that this includes only employees working below manager level

4. Act and present himself to any third parties as the Company's representative in order to operate the Company's business where the Company's will be beneficial therefrom
5. Present works, negotiate and agree with customers on the price including sign his name in the agreements and proposals when the price and scope of services become definite
6. Approve the administrative budget of not higher than 5,000,000 Baht per time provided that such budget has been already approved by the Company's Board of Directors
7. Perform any acts as assigned by the Company's Board of Directors and/or Executive Board

The Managing Director has no authorities to perform any activities, about or related to the transactions or issues that the Managing Director or other person that may have conflicts, stakes or any other conflicts of interest in any nature (as determined by the Company's rules and Office of Securities and Exchange Commission's notifications) with the Company or its subsidiaries (if any).

Details of attendance at Board of Director's Meetings

In 2013, the Board of Directors held a total of 16 meetings. The attendance of each Director can be summarized as follows:

Director's Name	No. of attendances at Meetings	Appointed as Director on	Resignation from Director's Position on
1. Mr. Aran Apichari	16/16	29 July 2011	-
2. General Vichit Yathip	16/16	26 August 2009	-
3. General Rangsarid Chaengchenkit	16/16	26 August 2009	-
4. Gp.Capt. Thuchchai Ginsawaeng	16/16	6 November 2009	-
5. Miss Nilobol Kreuanoparat	4/4	1 October 2013	-
6. Mrs. Wimonwan Milindhachinda	12/12	12 January 2010	1 October 2013
7. Ms. Chusadee Kunratvej	9/9	3 August 2010	4 September 2013
8. Mr. Nipat Pinsang	16/16	12 October 2012	-
9. Mr. Kampol Tatiyakavee	16/16	13 November 2012	-

RECRUITMENT OF BOARD OF DIRECTORS

Recruitment of Board of Directors and Company Executives

The Company has not appointed any recruiting committee to select individuals to sit in the Board of Director and Executive Board. However, the Company has set up some guidelines for recruiting Directors and Executives, which are to consider qualified, knowledgeable, capable individuals who have relevant work experience, as determined by the Company's articles of association and by law in order for the Company to operate effectively. In appointing Directors, the shareholders' meeting must select directors by a majority vote in compliance with the following criteria and methods:

1. One shareholder has a vote equivalent to one share per one vote.
2. The shareholders vote for each individual Director.
3. The person who receives highest votes in a descending order will be selected as Directors depending on the number of available positions. The Chairman of the shareholders' meeting will have the final casting vote where any persons receive equal votes which would make number of Directors more than the the set number for that particular period.

Recruitment of Independent Directors

The Company's shareholders will appoint independent Directors by considering the independent Director's qualifications in compliance with the rules of Office of Securities and Exchange Commission, which are as follows:

1. Does not hold more than 1% of the Company's shares that have the voting rights. This also includes all the shares held by related persons.
2. Does not participate in the management of the Company, not the Company's worker, employee nor consultant who receives monthly salaries from the Company. Not a person who have the power to control over the Company, nor a person who may have a conflict of interest or stakes with the Company with in 2 years prior to the appointment.
3. Does not have any direct or indirect business relationship, nor financial and management benefits/stakes in the Company. Is not a professional service provider, nor an external auditor, or the person who may have any conflicts that cause the director to lose his/her independence within 2 years prior to the appointment.
4. Is not a close relative of an Executive, nor a major shareholder, nor the person who may have conflicts with the Company.
5. Does not hold the position of a Director who is appointed to represent the Company's Director, major shareholder, or shareholder who is related to the Company's major shareholder.
6. Is not an Audit Committee member in another listed Company in the same sector.
7. At least 1 of the independent Director, sitting as an audit committee member, must have financial and accounting knowledge or experiences and consistent understanding on causes of changes to the financial report.

There must be at least 1 independent Director, whose holding the position of Audit Committee member, that have knowledge and understanding or experience in accounting and finance and has a continuous knowledge on the cause of changes of events that effects the financial report.

DIRECTOR'S REMUNERATION

Monetary Remuneration

The Board of Directors

Board of Director's Name	Remuneration* (Bath)
1. Mr. Aran Apichari #	610,000.00
2. General Vichit Yathip	430,000.00
3. General Rangsarid Chaengchenkit	410,000.00
4. Gp.Capt. Thuchchai Ginsawaeng	410,000.00
5. Miss Nilobol Kreuanoparat	130,000.00
6. Mrs. Wimonwan Milindhachinda	175,000.00

Board of Director's Name	Remuneration* (Bath)
7. Ms. Chusadee Kunratvej	100,000.00
8. Mr. Nipat Pinsang	370,000.00
9. Mr. Kampol Tatiyakavee	520,000.00
Total	3,155,000.00
10. Miss. Sirikan Piyakraivudh **	30,000.00
Total Remuneration for 2013	3,185,000.00

Note: # Holding the Position since 29 July 2011

* The remuneration consists of Meeting Allowance and yearly salary

** Company Secreatry remuneration Baht 30,000.00

** The resolution of the Board of Director Meeting No. 1/2011 had approved the meeting allowance of the Company Secretary who has the responsibility of performing duties under the Securities and Exchange Act (No. 4) B.E.2551. The Act indicates that the remuneration is not to be more than 80% of the Director's meeting allowance or Baht 8,000 for each attendance at the Board of Directors' meeting.

The Board of Directors and the Executive Board's remuneration consisted of monthly salary, annual salary, yearly gratuity and provident fund which have a total of Baht 14.02 million.

CORPORATE GOVERNANCE

การกำกับดูแลกิจการ

The Company imposes operating policies relevant to the management's corporate governance system so as to attain the most effective management. The Company's committee has established the policies for the Company's operations to comply with the good corporate governance principles designed for listed company in 2006. This depends on the conditions appropriate for the company, which will promote the transparency and effectiveness of the management leading to the confidence creation on shareholders, investors and all relevant parties. The Company has determined its good corporate governance practices as follows:

SHAREHOLDERS' RIGHTS

Principle : The shareholders have ownership rights by controlling the Company via the appointment of the Board of Directors to act on their behalf and make decisions on significant changes to the Company. The Company supports shareholders to use their rights by determining its corporate governance policies by considering the shareholders' rights and not taking any actions which violate or diminish shareholders' rights. The Company will comply with the laws relating to the shareholders' basic rights e.g. share trading or transfer, profit sharing, access to sufficient news and information, attendance at meetings with the voting rights to appoint or remove directors, the Company's auditor and any issues that affect the Company e.g. dividend allocation, determination or amendment of memorandum or articles of association, capital decrease or increase and approval of extraordinary items, etc.

Guidelines : The shareholders participate in deciding on significant issues via the shareholders' meeting. The Company will organize an annual general shareholders' meeting once a year. In case of an urgent matter that requires the shareholders' decision on significant issues, the Company may organize an extraordinary shareholders' meeting. In 2013, the Company will organize the annual general shareholders' meeting on Thursday 25 April 2013 at 10.00 hrs.

To call the meeting, the Company informed of this information by delivering the invitation letter as well as supporting documents to the shareholders in advance as determined by law. The Company has also uploaded the supporting information to the Company's website so that the shareholders have sufficient time to read the documents prior to the meeting.

The Company will fully facilitate shareholders to use their rights to attend and vote in the meeting and allows the authorization of other persons to attend the meeting and vote as proxies. Chairman of the meeting allocates appropriate time and provides the opportunity to the shareholders to express their opinions and ask questions to the meeting regarding the Company's businesses.

In each meeting, the Company will request every director to attend the meeting and provide equal opportunities to the shareholders to examine the company's operations, ask questions, express their opinions and give various suggestions. The Company will record all the significant discussions and opinions on minutes of the meeting for the benefits of the Company's.

Board of Directors, management, relevant persons so that they can consider and take actions for further benefit the Company's business operations.

SHAREHOLDERS' RIGHTS AND EGALITARIAN

Principle : Every shareholder, whether in the management or non-management, including foreign shareholders, will be equally and fairly treated. The shareholders in the management will, unless necessary, not add any agenda to a meeting without prior notice, especially important agendas that the shareholders require more time to study before making decisions with the use of ballot sheet for the significant agenda e.g. connected transactions, acquisition or sales of assets, etc. for transparency and auditable purposes in case there is any argument in later period.

Guidelines : The Company provides the opportunity for the shareholders who cannot attend the meeting by themselves to authorize a proxy to attend the meeting, and vote for them. By using the proxy form the shareholders can express their intentions attached to the invitation letter. The Company has a policy to add more options to the shareholders by allowing independent directors to be the shareholders' proxies. Under the agenda of appointment the directors, the Company requests the shareholders to make decision on individual director.

The Company provides the protective measures in case that the directors and the management misuse the inside information for their own and other benefits (abusive self-dealing), by taking advantage of other shareholders e.g. trading securities by using inside information (insider trading), disclosing inside information to the persons who have connected persons with the directors and management, Which will impact the overall shareholders .

The Company determines rules and regulations for using the company's inside information, which are summarized below for further implementation:

1. The Company's directors, management, employees and workers must keep secrets and/or inside information confidential.
2. The Company's directors, management, employees and workers must not disclose the Company's secrets and/or inside information or gain personal benefits or benefit to another person, whether directly or indirectly, and whether receiving any returns out of it or not.
3. The Company's directors, management, employees and workers must not trade, transfer or receive the Company's securities by using the Company's secrets and/or inside information and/or entering into any juristic act by using the Company's secrets and/or inside information which may damage the Company either directly or indirectly.

However, the Company's directors, management, employees and workers working in the organization who become aware of the Company's inside information should avoid or stop trading the Company's securities 1 month before disclosing the Company's financial statements to the public. This requirement also includes the spouse and the dependent child(ren) of the Company's directors, management, employees and workers as well. Any person violating such rules and regulations is considered seriously guilty.

4. The Company's directors, management, employees and workers must report any change in securities held by themselves, their spouse or their dependent children to Office of the Securities and Exchange Committee, pursuant to Section 59 of Securities and Exchange Act B.E. 2535.

STAKEHOLDERS' RIGHTS

Principle : The Company will honor and respect the rights of persons relevant to business operations e.g. customers, employees, trading partners, shareholders or investors, creditors, community where the Company locates, society or public sector. Other stakeholder groups are competitors, independent external auditor, etc. This will promote the cooperation between the Company and the stakeholders in term of wealth creation, financial stability and business sustainability. Each stakeholder group has different objectives and expectations.

Guidelines : The Company sets up policies to deliver quality services to customers. The Company will strictly follow and comply with the conditions, proposals, commitments, advertisements or public relations provided to customers. The Company creates misunderstandings about its quality, pricing, conditions or service rendered to customers or the gen-

eral public. The Company must set up requirements on ethics and codes of conduct as operating guidelines for the Board of Directors, management, employees and shareholders. The requirements emphasize honesty, integrity, transparency and fairness to every relevant party.

CORPORATE SOCIAL RESPONSIBILITY POLICIES

Principle : As the organization is an essential part of society, responsibility to the society in which we conduct our business not only means the compliance to good corporate governance, but also the participation in socially beneficial activities, which is one of the Company's important policies. Though our business is small, but it does not mean that we will neglect our duties in creating a pleasant society.

Guidelines : Significant guidelines of CSR policies consist of :

1. Provide training and Company visit to students and educational institutions all year through.
2. Provide financial sponsorship for the benefits of the community or upcountry schools that require assistance.

DISCLOSURE AND TRANSPARENCY

Principle : The Company has a policy to disclose accurate, complete, real-time and transparent information relating to the Company (both financial and non-financial information) via easily accessible, fair and reliable channels.

Guidelines : The Company disseminates information in compliance with the Stock Exchange's criteria and channels i.e. annual information disclosure form (form 56-1) and the annual report so that investors and stakeholders can make accurate decision. In addition, the Company has established an Investor Relations Department and appointed Miss Kanokwan Boonprakob as the Company Secretary, whom was in office until 9 November 2012. After which the Company appointed Mrs. Wimonwan Milindhachinda as the Acting Company Secretary until the Company is able to find a new Company Secretary, in order to disseminate the information to analysts, institutional investors, shareholders and relevant persons. The Company has a policy to disseminate information via the Company's website at www.365PCL.com.

Company's Board of Directors' is responsible for significant business operations, corporate governance, financial statements and financial information as appeared in the annual report. Such financial reports must be prepared in compliance with the generally accepted accounting principles in Thailand by selecting the accounting policies appropriate for the Company's business nature and implement them consistently with the best caution and estimates in the preparation, which includes sufficient disclosure of significant information in the notes to financial statements.

The Company's Board of Directors must establish an effective and efficient internal control system to ensure accurate, complete sufficient and real-time financial records so as to learn of any deficiencies and prevent any fraud or unusual conduct. By this concept, the Company's Board of Directors' appointed the Audit Committee, consisting of non-management directors who are also independent directors to review the accounting policies, financial report quality and internal control system. Audit Committee is of the view that the Company has a sufficient and appropriate internal control system.

The Company sets up a clear and transparent directors' remuneration plan. Such policies were approved by the shareholders' meeting. The directors' remuneration is set at an appropriate level and attractive enough to keep the knowledgeable and capable directors with good qualifications with the Company as well as in line with the remuneration of other directors in the same industry and appropriate for the assigned duties. The Company has no policy to pay excessive remuneration to its directors. The management's remuneration follows the principles and policies as determined by the Company's Board of Directors, which is linked to the Company's operating performance and individual executive's performance.

The Company requires the disclosure of the remuneration paid to the directors and management by using the forms as determined by Office of the Securities and Exchange Commission.

DIRECTORS' RESPONSIBILITIES

Principle : Directors are responsible for their duties to the shareholders and are independent from the management. They have a significant role in the corporate governance for the Company's optimum benefits.

Guidelines :

Board of Directors' Structure

There are altogether 7 Committee non-management directors who is an independent directors, 4 audit committ. Independent directors represent 57% of all directors. Each independent director is specialized in various businesses. Audit Committee is the minor shareholders' representatives who will monitor the Company's operations to ensure that they are accurate and transparent. During the annual general shareholders' meeting, 1/3 of the directors will resign from their position. If the number of directors is not a multiple of three, the number of directors to resign from their position will be the nearest number as 1/3 of all directors. The directors leaving the position by rotation may be re-appointed from the shareholders' meeting to be the directors.

Sub Committees

The shareholders' meeting appointed 3 Audit Committee members, each having a term of 3 years and are all independent directors. In addition at least one of the members must have finance and accounting knowledge in order to monitor the Company's disclosure of information so as to be accurate and sufficient. The Company's Audit Committee has a policy to have a meeting every quarter and call extraordinary meeting in the case of an emergency.

In addition, the Company's Committee meeting appointed 5 members of the Board of Directors. each person having a 3 year term. The Board of Directors' power and duties are in detailed in 8.1 Management's Structure. Board of Directors has a policy to have a meeting at least once a month to discuss the Company's operating performance, risk management, operating problems and obstacles, guidelines for corrective actions and others. If the Chief Executive Officer considers appropriate, he can call summon an extraordinary meeting.

At present, the Company does not have a sub-committee to determine the remuneration, but has the initial procedures for fixing appropriate remuneration by using the information from other companies in the same industry as well as principles of fairness and the possibility to keep the executives whose qualifications are in line with the Company's requirements. This will build up the executives' incentives to perform their duties with good quality and standard in accordance with the assigned duties and responsibilities. As for the directors' remuneration, the Company will present to the shareholders' meeting to make the final decision.

Board of Director's Roles, Duties and Responsibilities

The Company's Board of Directors was appointed from the shareholders' meeting. Each director has professional knowledge, skills, experiences and vision. The appointed directors will participate in determining the Company's policies, operating directions and monitoring the management team to perform effectively as per the determined policies. In addition, the Company also clearly determines the scope and responsibilities of the Company's Board of Directors, Executive Board, Audit Committee and Chief Executive Officer in order to balance and determine the clear responsibilities.

The Company emphasizes operating the business in compliance with the related laws and regulations with transparency and fairness. In addition, the Company also focuses on internal control systems and audits, risk management as well as the sufficient disclosure of information, which will lead to continuing and sustainable growth, and provide optimal value to the shareholders and stakeholders under the frame of laws and business ethics.

The Company identifies business ethics and codes of conduct as operating guidelines for the Company's Board of Directors, management, employees and shareholders by emphasizing the principles of honesty, integrity, transparency and fairness to every relevant party.

The Company reviews the policies at least once a year and always complies with good corporate governance policies. The Company discloses information about its good corporate governance policies in the annual report for the ac-

knowledge of shareholders and related parties.

The Company has set up the Audit Committee from independent directors to take charge of accurate and sufficient disclosure of the Company's information, especially for connected transactions or transactions which there may be conflicts of interest. However, if there is any transaction which may cause any conflicts of interest, the procedures to complete such connected transactions between the Company and the person who may have conflicts of interest on unusual business practice or commercial conditions must be presented to the Company's Audit Committee for approval. The director and the person who may have stakes or conflicts of interest in the connected transactions will have no rights to vote and approve those connected transactions for fairness and transparency purposes. If the connected transactions fall under Stock Exchange of Thailand's rules, announcement, requirements or regulations, the company must strictly comply with those criteria.

The Company places importance to its internal control system both at the management and the operating levels for operating effectiveness. The Company has prepared an operating manual clearly determining the executives' and the operators' duties and power, in writing, with the segregation of duties of the operators and the supervisors so as to have an appropriate balance and cross audit among themselves. Further, the Company has sets up an Internal Control Department as an independent organization and has hires Neo Consulting Service Co., Ltd. as an Internal Audit Consultant to work in the Company's Internal Audit Department to audit and evaluate major operating performances and significant financial activities, in order to comply with the predetermined guidelines with effectiveness, transparency and compliance to the company's policies, related laws and requirements. Recently, the Internal Audit Consultant interviewed the management and evaluated the Company's risks before preparing risk evaluation report, annual audit plan and internal audit manual for financial auditing, operation auditing, management auditing, information technology auditing, compliance auditing and special auditing. The Audit Committee has studied the risk evaluation report, annual audit plan and internal audit manual. The Company instructs the Internal Audit Consultant to report the audit results directly to the Audit Committee for the complete independence in auditing and balance of power.

Committee's Meeting

Company's Committee have regular meetings at least 4 times a year. Extraordinary meetings may be added as deemed necessary. A clear agenda must be identified and shall regularly follow up on results from the resolutions. The Company requires that directors attend every meeting, except for the emergency case.

In each committee meeting, the Company will issue invitation letters attaching the agenda and supporting documents to the committee at least 7 days in advance so as to provide enough time for the studying the information before the meeting.

Except in case of emergency, in order to maintain the Company's rights and benefits, the Company will call the meeting by other methods and may determine the meeting date faster than the normal specified period. In every committee meeting, the minutes will be taken and prepared, in writing, for the committee and related persons to examine. The Company supports the chief executives to attend the committee meeting so as to provide additional information and details because they deal with the problems directly. This will also support the non-management directors to meet together as deemed necessary.

Committee's Self Evaluation

The Committee evaluates their own performance so as to increase the operating efficiency, contribution and correct any actions to any weaknesses.

Remuneration

The Company provides clear and transparent policies for directors' remuneration. Such policies were approved by the shareholders' meeting. The directors' remuneration is at appropriate level with sufficient incentives to maintain knowledgeable and capable directors and quality matching with those in the same industry and appropriate for the assigned duties and responsibilities. The Company has no policy to pay excessive remuneration to its directors. The management's remuneration follows the principles and policies as determined by the Company's Board of Directors, which is linked to the Company's

operating performance and individual executive's performance.

The Company requires the disclosure of the remuneration paid to the directors and management by using the forms as determined by the Office of Securities and Exchange Commission.

Directors' and Management's Development

The Company promotes and facilitates training programs to the personnel relating to the Company's corporate governance system e.g. directors, audit directors, executives and Company Secretary, etc. in order to consistently improve its operations. Every time when there is a change to a new director, the Company Secretary will prepare documents and information which are beneficial for the new director's work, including an introduction to the Company's businesses as well as the operating guidelines.

MONITORING THE USE OF INSIDE INFORMATION

The Company has set up rules and regulations, as summarized below, for the use of the Company's inside information, which requires strict compliance.

1. The Company's directors, management, employees and workers must keep secrets and/or inside information confidential.
2. The Company's directors, management, employees and workers must not disclose the Company's secrets and/or inside information or gain personal benefits or benefit to another person, whether directly or indirectly, and whether receiving any returns out of it or not.
3. The Company's directors, management, employees and workers must not trade, transfer or receive the Company's securities by using the Company's secrets and/or inside information and/or entering into any juristic act by using the Company's secrets and/or inside information which may damage the Company either directly or indirectly.

However, the Company's directors, management, employees and workers working in the organization who become aware of the Company's inside information should avoid or stop trading the Company's securities 1 month before disclosing the Company's financial statements to the public.

This requirement also applies to the spouse and the dependent children of the Company's directors, management, employees and workers. Any violation of such rules and regulations is considered as a serious misconduct.

4. The Company's directors, management, employees and workers must report any change in securities held by themselves, their spouse or their dependent children to Office of the Securities and Exchange Committee, pursuant to Section 59 of Securities and Exchange Act B.E. 2535.

Any person violating the requirements in (1) - (4) will be liable for punishment as per the provisions stated in Securities and Exchange Act B.E. 2535 and/or related laws.

RELATED PARTY TRANSACTIONS

รายการระหว่างกัน

In 2013, the Company had 4 related transactions with details as appeared in Note No. 6 of the financial statements as for the year ending 31 December 2013.

MEASURES OR PROCEDURES OF RELATED TRANSACTIONS

Related transactions or transactions that may cause conflicts of interest: Procedures for related transactions between the Company and a director, management or related person, which are not the normal business transactions or under the general business condition, must be approved by the Audit Committee, who are independent directors, who are independent directors, for the reasonable transactions, prices and conditions. Related transactions will be considered following the normal business practice by comparing the prices incurred in the related transactions with market price or outsiders' price. When the Company is listed in the stock exchange, the Company's Committee will monitor the compliance to securities and exchange laws; stock exchange regulations, announcements, orders or requirements as well as the compliance to the requirements on disclosures on related transactions, acquisition or sales of the Company's and subsidiaries' assets (if any) and also the general accounting standards as determined by The Institute of Certified Accountants and Auditors of Thailand.

If those transactions contain the commercial agreements in the same conditions that the individual will do the normal party under the same situation under the commercial negotiation power without his/her own influence as the Company's director, management or related person, then the management can approve such transactions. However, the Company will prepare a summary report of the transactions over 2 Million Baht to the Board of Directors' meeting.

The director(s) or person(s) who have conflicts, stakes or conflicts of interest in any form will not have the right to vote for approving the related transactions that he/she or related person(s) may have conflicts, stakes or conflicts of interest in any forms to the Company or its subsidiaries (if any).

POLICIES AND TRENDS OF RELATED TRANSACTIONS IN THE FUTURE

To enter into the probable related transactions in the future requires the procedures to approve the transactions in compliance and exchange laws; stock exchange regulations, announcements, orders or requirements as well as the compliance to the requirements on disclosures on related transactions, acquisition or sales of the Company's and subsidiaries' assets (if any) and also the accounting standards as determined by The Institute of Certified Accountants and Auditors of Thailand. However, the Company does not have policies to lend or guarantee the director or related person as stated by Securities and Exchange Committee, nor the policy to borrow or receive the guarantee from a director or related person. However, if it is necessary for the Company to borrow or receive any guarantee from the director(s) or related person(s), such transactions must be approved by the Audit Committee in compliance with the procedures of the Company's connected transactions.

In case that the Audit Committee has no skills in approving the possible related transactions, the Company will ask the independent expert or external auditor to provide his/her opinion on such related transactions in combination with the decision from Audit Committee and/or Board of Directors and/or shareholders. The Company will disclose such related transactions in notes to financial statements which will be audited by the external auditor.

FINANCIAL POSITION AND OPERATING PERFORMANCE

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FINANCIAL STATEMENTS

Summary of Audit Reports of Certified Accountant for the past 3 years.

For 2011, the Financial Statements of ThreeSixtyFive Public Co., Ltd. was audited by Ms. Prapasri Leelasupha, Certified Public Accountant Registration Number 4664, of A M C Co., Ltd. The auditor was of the opinion that the consolidated financial statement presents the consolidated financial position as of 31 December 2011, consolidated operation performance and cash flow for the year ending 31 December 2011 for ThreeSixtyFive Public Co., Ltd. and its subsidiaries, additionally, the financial statement, which presents the financial position as of 31 December 2011 and 2010, performance and cash flow for the year ending on the same date of each year for ThreeSixtyFive Public Co., Ltd are correct in relation to significant matters and comply with the generally accepted accounting principles.

For 2012, the Financial Statement of ThreeSixtyFive Public Co., Ltd was audited by Mr. Surachai Dumnernwongs, Certified Public Accountant Registration Number 4721, of RSM Audit Services (Thailand) Co., Ltd. The auditor was of the opinion that the consolidated financial statement presents the consolidated financial position as of 31 December 2012, consolidated performance and cash flow for the year ending 31 December 2012 of ThreeSixtyFive Public Co., Ltd. and its subsidiaries, additionally, the financial statement, which presents the financial position as of 31 December 2012, performance and cash flow for the year ending on the same date of each year for ThreeSixtyFive Public Co., Ltd are correct in relation to significant matters and comply with the generally accepted accounting principles.

For 2013, the Financial Statement of ThreeSixtyFive Public Co., Ltd was audited by Mr. Surachai Dumnernwongs, Certified Public Accountant Registration Number 4721, of RSM Audit Services (Thailand) Co., Ltd. The auditor was of the opinion that the consolidated financial statement presents the consolidated financial position as of 31 December 2013, consolidated performance and cash flow for the year ending 31 December 2013 of ThreeSixtyFive Public Co., Ltd. and its subsidiaries, additionally, the financial statement, which presents the financial position as of 31 December 2013, performance and cash flow for the year ending on the same date of each year for ThreeSixtyFive Public Co., Ltd are correct in relation to significant matters and comply with the generally accepted accounting principles.

Summary of the Company's Financial Position and Operating Performance

Table Showing Balance Sheet, Income Statement and Cash Flow Statement for the previous 3 years.

Balance Sheet	Consolidated Financial Statement						Financial Statement					
	31 Dec 2013		31 Dec 2012		31 Dec 2011		31 Dec 2013		31 Dec 2012		31 Dec 2011	
	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%
	1,000		1,000		1,000		1,000		1,000		1,000	
ASSETS												
CURRENT ASSETS												
Cash and Cash Equivalent Items	113,351	17.30	31,220	6.89	28,832	7.66	72,795	11.42	27,678	7.24	21,991	7.10
Gain from realisation of investments in subsidiary company	42,975	6.56	-	-	-	-	42,975	6.74	-	-	-	-
Trade and Other Account Receivables - Net	179,515	27.41	148,199	32.70	160,031	42.54	158,618	24.88	86,581	22.64	116,993	37.77
Short-Term Loans to Subsidiaries	-	-	-	-	-	-	20,725	3.25	95,642	25.01	30,625	9.89
Non-Performing Assets	-	-	7,880	1.74	-	-	-	-	-	-	-	-
Other Current Assets	11,031	1.68	2,316	0.51	497	0.13	1,193	0.19	862	0.23	362	0.12
Total Current Assets	346,871	52.95	189,615	41.84	189,360	50.33	296,306	46.48	210,763	55.11	169,972	54.87
Non-Current Assets												
Bank Deposits used as collateral	12,635	1.93	13,739	3.03	10,000	2.66	12,635	1.98	13,739	3.59	10,000	3.23
Investment in Subsidiaries	-	-	-	-	-	-	104,997	16.47	80,497	21.05	80,497	25.99
Investments in Joint Venture	-	-	2,897	0.64	-	-	-	-	-	-	-	-
Building Improvements and Equipment - Net	15,093	2.30	19,496	4.30	27,196	7.23	10,274	1.61	8,877	2.32	7,673	2.48
Intangible Assets - Net	23,256	3.55	25,523	5.63	278	0.07	23,185	3.64	25,382	6.64	194	0.06
Lease rights - Net	215,483	32.90	167,990	37.07	120,407	32.00	182,133	28.57	36,937	9.66	38,906	12.56
Goodwill	22,735	3.47	22,735	5.02	22,735	6.04	-	-	-	-	-	-
Other Non-Current Assets	18,964	2.90	11,223	2.48	6,253	1.66	7,942	1.25	6,223	1.63	2,537	0.82
Total Non-Current Assets	308,166	47.05	263,604	58.16	186,869	49.67	341,166	53.52	171,655	44.89	139,807	45.13
TOTAL ASSETS	655,038	100.00	453,219	100.00	376,228	100.00	637,471	100.00	382,418	100.00	309,779	100.00

Balance Sheet	Consolidated Financial Statement						Financial Statement					
	31 Dec 2013		31 Dec 2012		31 Dec 2011		31 Dec 2013		31 Dec 2012		31 Dec 2011	
	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%
	1,000		1,000		1,000		1,000		1,000		1,000	
LIABILITIES AND SHAREHOLDERS' EQUITY												
CURRENT LIABILITIES												
Trade and Other Accounts Payable	101,513	15.50	52,850	11.66	24,386	6.48	76,799	12.05	23,357	6.11	9,222	2.98
Liabilities under Long-Term Lease Contracts maturing within 1 year	449	0.07	2,526	0.56	3,207	0.85	-	-	1,589	0.42	962	0.31
Long-Term Loan from Financial Institution maturing within 1 year	-	-	22,680	5.00	-	-	-	-	22,680	5.93	-	-
Short-Term Loans from Connected Persons and Businesses	-	-	86,966	19.19	21,474	5.71	5,000	0.78	22,000	5.75	-	-

Balance Sheet	Consolidated Financial Statement						Financial Statement					
	31 Dec 2013		31 Dec 2012		31 Dec 2011		31 Dec 2013		31 Dec 2012		31 Dec 2011	
	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%
Pending Output Tax Payable to the Revenue Department	13,307	2.03	11,819	2.61	9,773	2.60	11,298	1.77	7,469	1.95	7,528	2.43
Income Tax Payable	520	0.08	890	0.20	3,978	1.06	-	-	-	-	253	0.08
Accounts Payable - Retainer	-	-	5,020	1.11	-	-	-	-	15,561	4.07	-	-
Other Current Liabilities	22	0.00	22	0.00	22	0.01	22	0.00	22	0.01	22	0.01
TOTAL CURRENT LIABILITIES	115,811	17.68	182,774	40.33	62,839	16.70	93,119	14.61	92,679	24.23	17,988	5.81

Balance Sheet	Consolidated Financial Statement						Financial Statement					
	31 Dec 2013		31 Dec 2012		31 Dec 2011		31 Dec 2013		31 Dec 2012		31 Dec 2011	
	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%	Baht 1,000	%
NON-CURRENT LIABILITIES												
Liabilities under Long-Term Lease - Net	516	0.08	4,738	1.05	6,473	1.72	-	-	3,043	0.80	2,054	0.66
Long-Term loan from Financial Institutions - Net	-	-	4,199	0.93	-	-	-	-	4,199	1.10	-	-
Employees Benefit Obligations	1,200	0.18	868	0.19	587	0.16	295	0.05	187	0.05	97	0.03
Other non-current liabilities	670	0.10	-	-	-	-	670	0.11	-	-	-	-
Total Non-Current Liabilities	2,386	0.36	9,805	2.16	7,060	1.88	965	0.15	7,429	1.94	2,151	0.69
Total Liabilities	118,197	18.04	192,579	42.49	69,899	18.58	94,084	14.76	100,108	26.18	20,139	6.50
SHAREHOLDERS' EQUITY												
CAPITAL STOCK												
REGISTERED CAPITAL												
2,811,433,357 Ordinary Shares at a value of Baht 0.10 per Share	281,143	-	-	-	-	-	281,143	-	-	-	-	-
1,894,970,437 Ordinary Shares at a value of Baht 0.10 per Share	-	-	189,497	-	-	-	-	-	189,497	-	-	-
1,275,925,660 Ordinary Shares at a value of Baht 0.10 per Share	-	-	-	-	127,593	-	-	-	-	-	127,593	-
Issued and Paid-Up												
Share Capital												
2,410,326,895 Ordinary Shares at a value of Bhat 0.10 per Share	241,033	36.80	-	-	-	-	241,033	37.81	-	-	-	-
1,366,404,228 Ordinary Shares at a value of Bhat 0.10 per Share	-	-	136,640	30.15	-	-	-	-	136,640	35.73	-	-
1,257,432,798 Ordinary Shares at a value of Bhat 0.10 per Share	-	-	-	-	125,743	33.42	-	-	-	-	125,743	40.59
Surplus on Ordinary Shares	693,023	105.80	191,924	42.35	169,699	45.11	693,023	108.71	191,924	50.19	169,699	54.78
Accumulated Loss	(397,215)	(60.64)	(76,978)	(16.98)	(11,558)	(3.07)	(390,668)	(61.28)	(46,255)	(12.10)	(5,803)	(1.87)
Total equity attributable to shareholders of the Company	536,841	81.96	251,586	55.51	283,885	75.46	543,388	85.24	282,310	73.82	289,640	93.50
Non-Controlling Interests of Subsidiaries	-	-	9,053	2.00	22,444	5.97	-	-	-	-	-	-
Total Shareholders' Equity	536,841	81.96	260,640	57.51	306,329	81.42	543,388	85.24	282,310	73.82	289,640	93.50
TOTAL LIABILITIES AND SHARE HOLDERS' EQUITY	655,038	100.00	453,219	100.00	376,228	100.00	637,472	100.00	382,418	100.00	309,779	100.00

Income Statment	Consolidated Financial Statement						Financial Statement					
	31 Dec 2013		31 Dec 2012		31 Dec 2011		31 Dec 2013		31 Dec 2012		31 Dec 2011	
	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%
	1,000		1,000		1,000		1,000		1,000		1,000	
Gain from realisation of investments in subsidiary company	45,720	11.09	-	-	-	-	29,500	9.11	-	-	-	-
Gain (loss) on disposal of temporary investments	(2,377)	(0.58)	17,240	7.25	-	-	(2,376)	(0.73)	17,240	15.16	-	-
Unrealised loss on temporary investments	(8,131)	(1.97)	-	-	-	-	(8,131)	(2.51)	-	-	-	-
Other income	4,718	1.14	9,087	3.82	749	0.32	6,318	1.95	4,260	3.75	717	0.47
Share of gain (loss) joint venture	170	0.04	(103)	(0.04)	-	-	-	-	-	-	-	-
Service expenses	(46,872)	(11.37)	(29,793)	(12.52)	(30,951)	(13.10)	(39,833)	(12.31)	(11,878)	(10.44)	(20,815)	(13.68)
Administrative expenses	(60,128)	(14.59)	(38,456)	(16.16)	(22,434)	(9.50)	(53,654)	(16.58)	(19,937)	(17.53)	(8,793)	(5.78)
Doubtful debts	(14,379)	(3.49)	(10,959)	(4.61)	-	-	(14,019)	(4.33)	-	-	-	-
Loss on written-off withholding taxes	(4,890)	(1.19)	(404)	(0.17)	-	-	(4,842)	(1.50)	-	-	-	-
Loss from disposal of fixed asset	(2,816)	(0.68)	(8,779)	(3.69)	-	-	(799)	(0.25)	(1,206)	(1.06)	-	-
Loss from write-off of leasehold right	-	-	(6,673)	(2.80)	-	-	-	-	(6,673)	(5.87)	-	-
Management's remuneration	(14,018)	(3.40)	(14,119)	(5.93)	(7,800)	(3.30)	(8,518)	(2.63)	(5,687)	(5.00)	(4,795)	(3.15)
Finance costs	(3,794)	(0.92)	(5,424)	(2.28)	(590)	(0.25)	(3,971)	(1.23)	(4,339)	(3.82)	(256)	(0.17)
Loss before income tax expense	(317,029)	(76.91)	(75,424)	(31.68)	15,611	6.61	(344,413)	(106.41)	(40,452)	(35.57)	22,461	14.76
Income tax expense	(3,344)	(0.81)	(3,387)	(1.42)	(2,712)	(1.15)	-	-	-	-	(3,176)	(2.09)
Loss for the years	(320,374)	(77.72)	(78,812)	(33.12)	12,898	5.46	(344,413)	(106.41)	(40,452)	(35.57)	19,284	12.68
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss) for the years	(320,374)	(77.72)	(78,812)	(33.12)	12,898	5.46	(344,413)	(106.41)	(40,452)	(35.57)	19,284	12.68
Loss attributable to :												
Service incomes	(320,236)	(77.69)	(65,421)	(27.49)	14,954	6.33	(344,413)	(106.41)	(40,452)	(35.57)	19,284	12.68
Cost of services	(138)	(0.03)	(13,391)	(5.63)	(2,056)	(0.87)	-	-	-	-	-	-
Gross profit	(320,374)	(77.72)	(78,812)	(33.12)	12,898	5.46	(344,413)	(106.41)	(40,452)	(35.57)	19,284	12.68
Earnings Per Share (Unit : Baht)												
Basic Earnings per share	(0.1656)		(0.0592)		0.0133		(0.1780)		(0.0304)		0.0171	
Diluted Earnings per share	-		-		0.0131		-		-		0.0169	

Unit : Thousand Baht

Statement of Cash flow	Consolidated Financial Statements			Seperated Financial Statement		
	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2013	31 Dec 2012	31 Dec 2011
CASH FLOW FROM OPERATING ACTIVITIES						
Profit (Loss) before Income Tax	(317,030)	(75,424)	15,611	(344,413)	(40,452)	22,461
Reconciliation of Profit with Cash Received (Paid) from Operating Activites						
Gain from realisation of investment in subsidiary company	(45,720)	-	-	(29,500)	-	-
(Profit) Loss from Sale of Temporary Investment	2,376	(17,240)	-	2,377	(17,240)	-
Unrealised loss on temporary investments	8,131	-	-	8,131	-	-
Loss from Sales of Assets	2,816	8,779	-	799	1,206	-
Depreciation	2,874	4,257	2,906	2,048	1,379	757
Amortization of Intangible Assets	2,770	1,318	68	2,747	1,282	56
Amortization of Leasehold Rights	57,392	49,559	26,479	48,665	21,042	19,197
Lost from Write-off of Leasehold Rights		6,673	-	-	6,673	-
Write-off of Withholding Tax Fees	4,890	404	-	4,842	-	-
Loss from Impairment of Leasehold Rights	-	-	2,986	-	-	-
Bad debt	28	-	-	28	-	-
Doubtful Accounts	14,379	10,959	-	14,019	-	-
Employee Benefit Obligations	332	281	587	108	90	97
Stock Dividends	-	(1,828)	-	-	(1,828)	-
Share of Loss from Joint Venture	(170)	103	-	-	-	-
Interest Received	(1,008)	(595)	(488)	(2,803)	(2,085)	(637)
Interest Paid	3,794	1,625	590	3,971	294	256
Profit from Operation Before Change in Operating Assets and Liabilities	(264,145)	(11,129)	48,739	(288,981)	(29,637)	42,187
Operating Assets Decrease (Increase)						
Trade and Other Account Receivables	(55,394)	(5,546)	(46,423)	(89,526)	26,172	(25,127)
Cash Received from Sale of Temporary Investment	9,676	45,014	-	9,676	45,014	-
Cash Used to Purchase Temporary Investment	(63,159)	(25,946)	-	(63,159)	(25,946)	-
Cost of Work-in-Progress	-	-	1,322	-	-	1,322
Non-Performing Assets	-	(7,880)	-	-	-	-
Other Current Assets	(8,722)	(1,819)	7,165	(331)	(500)	5,857
Other Non-Current Assets	(9,187)	(4,970)	7,396	(1,719)	(3,686)	6,064

Unit : Thousand Baht

Statement of Cash flow	Consolidated Financial Statements			Seperated Financial Statement		
	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2013	31 Dec 2012	31 Dec 2011
Operating Liabilities Increase (Decrease)						
Trade and Other Accounts Payable	60,246	27,669	(60,051)	59,367	14,135	(51,362)
Pending Output Tax to the Revenue Department	1,487	2,047	442	3,829	(59)	(826)
Other Current Liabilities	150	-	(3,223)	-	-	(2,017)
Payable Contract Guarantee	-	5,020	-	(15,561)	15,561	-
Non - current liabilities	670	-	-	670	-	-
Cash Received (Paid) for Operating Activities	(328,376)	22,461	(44,633)	(385,736)	41,055	(23,901)
Interest Expense	(3,311)	(831)	(590)	(3,967)	(294)	(256)
Returned Income Tax	-	871	-	-	-	-
Income Tax Expense	(10,252)	(8,003)	(9,412)	(5,930)	(1,476)	(2,923)
Net Cash Received (Used for) Operating Activities	(341,941)	14,498	(54,635)	(395,633)	39,285	(27,080)
CASH FLOW FROM INVESTMENT ACTIVITIES						
Cash Paid for Investment in Joint Venture	-	(3,000)	-	-	-	-
Cash Paid for purchasing Investment in Subsidiaries	-	-	(47,756)	-	-	(75,497)
Cash Paid for Short-Term Loans to Subsidiaries	-	-	-	(9,100)	(90,517)	(37,625)
Cash Received from Short-Term Loans to Subsidiaries	65,000	-	-	84,017	25,500	7,000
Cash Received from Sale of Investment in Subsidiaries	37,252	-	-	55,000	-	-
Proceeds for short-term loans to related party	-	-	-	(50,000)	-	-
Cash received form jointventure	2,000	-	-	-	-	-
Purchase of Equipment	(14,128)	(11,530)	(3,128)	(11,165)	(6,497)	(2,916)
Sale of Assets	2,170	9,394	-	2,170	5,908	-
Purchase of Intangible Assets	(574)	(26,563)	(88)	(549)	(26,471)	-
Disposal of assets held for sale	7,898	-	-	-	-	-
Purchase of Leasehold Rights	(228,896)	(97,143)	(78,899)	(189,111)	(19,073)	(3,505)
Increase of Fixed Deposit Used as Collateral	1,104	(3,739)	(3,000)	1,104	(3,739)	(3,000)
Interest received	731	595	441	1,403	874	508
Net Cash Received (Used in) Investment Activities	(127,443)	(131,986)	(132,429)	(116,230)	(114,015)	(115,035)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from Short-Term Loans from connected persons and companies	-	65,492	21,474	-	22,000	-

Unit : Thousand Baht

Statement of Cash flow	Consolidated Financial Statements			Seperated Financial Statement		
	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2013	31 Dec 2012	31 Dec 2011
Cash Received from Financial Institutions	93,121	26,879	-	93,121	26,879	-
Cash Received from Issuing Convertible Debentures	-	36,000	-	-	36,000	-
Repayment for loans from financial institution	(120,000)	-	-	(120,000)	-	-
Repayment for loans from director	(22,000)	-	-	(22,000)	-	-
Cash Paid for Direct Costs in Issuing Convertible Debentures	-	(5,050)	-	-	(5,050)	-
Repayment of Share Subscription Fee for Subscription Exceeding Entitlement	-	-	(24,108)	-	-	(24,108)
Payment for Accounts Payable - Assets	-	-	(10,602)	-	-	(10,602)
Payment of Liabilities under Long-Term Lease Contracts	(5,098)	(5,615)	(2,437)	(4,632)	(1,584)	(824)
Cash received from increase of share capital	70,020	-	-	70,020	-	-
Cash received from increase of Premiums on share capital	501,098	-	-	501,098	-	-
Cash Received from Conversion of Rights to Purchase Ordinary Shares	34,372	2,173	42,681	34,372	2,173	42,681
Cash Received from Non-Controlling Interests of Subsidiaries	-	-	24,500	-	-	-
Net Cash Received (Used in) Financing Activities	551,514	119,877	51,508	556,980	80,417	7,146
Increase (Decrease) in Cash and Cash Equivalent Items – Net	82,131	2,389	(135,556)	45,117	5,687	(134,969)
Cash and Cash Equivalent Items at the Beginning of the Year	31,220	28,832	164,388	27,678	21,991	156,961
Cash and Cash Equivalent Items at the End of the Year	113,351	31,220	28,832	72,795	27,678	21,991

Financial Ratios		Year 2013	Year 2012	Year 2011
Liquidity Ratios				
Liquidity Ratio	(times)	3.00	1.04	3.01
Quick Liquidity Ratio	(times)	4.52	1.04	3.01
Cash flow Liquidity Ratio	(times)	(2.29)	0.12	(0.61)
Receivables Turnover Ratio	(times)	3.82	2.64	3.42
Average Collection Period	(days)	94	136	105
Accounts Payable Turnover Ratio	(times)	27.09	14.39	6.27
Average Payment Period	(days)	13	25	57
PROFITABILITY RATIOS				

Financial Ratios		Year 2013	Year 2012	Year 2011
Gross Profit Margin (%)	(%)	(51.00)	5.45	32.44
Operating Profit Margin	(%)	(80.36)	(29.34)	6.54
Net Profit (Loss) Margin (%)	(%)	(77.69)	(27.49)	6.33
Return on Equity (%)	(%)	(81.23)	(23.08)	5.62
EFFICIENCY RATIOS				
Return on Assets	(%)	(57.79)	(15.77)	4.15
Assets Turnover Ratio	(times)	0.74	0.57	0.66
Financial Policy Analysis Ratio				
Debt to Equity Ratio	(times)	0.22	0.74	0.23
Interest Coverage Ratio	(times)	(87.31)	(12.87)	26.19
Dividend Payout Ratio	(%)	-	-	-
Details Per Share				
Book Value per Share (Weighted)	(Baht)	0.26	0.20	0.27
Net Profit (Loss) per Share (Weighted)	(Baht)	(0.1656)	(0.0592)	0.0133

EXPLANATION AND ANALYSIS ON FINANCIAL POSITION AND OPERATING RESULTS

Overview of Previous Operating Results

In 2011 and 2012, the Company focused on developing its business by emphasizing on its target groups wishing to use fully integrated advertising media to conduct its public relations activities. The Company provided planning and distribution channels for advertising media such as TV commercial, print ads, radio ads and etc. so as to be able to effectively approach its target groups. Due to the pressure from global economic recession in 2012, the domestic economy was slow down in the same direction. As a result, the Company was in need to search for new business. In August 2012, Koa-Sha Media (Thailand) Co., Ltd, subsidiary of the Company had signed contracts for utilize commercial space within Bangkok Airport Rail Link project and had operated according to the utilization of advertising space from the same project for the entire year. Besides in December 2012, the Company was granted the right on advertising boards within bus shelter in Bangkok area, in a total of 3 projects. At December 1, 2012, the Company had not yet fully received advertisement boards from the Bangkok Metropolitan Administration and had not been able to generate revenue as expected. Also, the advertisement boards required improvements and repairs and it took times for the Company to create customers' confidence on its advertising boards.

However in January 2013, the Company had sold its ordinary shares in Koa-Sha Media (Thailand) Co., Ltd as the Company foresaw that Suvarnabhumi Airport Rail Link project and City Air Terminal was slowly progressed due to the change in government policy in the operation of Suvarnabhumi Airport and Don Mueang International Airport resulting in significantly decrease of revenue from the said project. Additionally, Koa-Sha Media (Thailand) Co., Ltd continuously required investment of at least Baht 100 million for its development. Therefore, the Company had considered it appropriate to sell its share in Koa-Sha Media (Thailand) Co., Ltd. The Company had gained reasonable amount from selling the share and had received full amount of payment with interests as well as being released from obligations under bank guarantee. As a consequence, the Company was able to generate cash flow to be used as working capital and used in installation and maintenance of advertisement board in bus shelter project offered to private sector by the Bangkok Metropolitan Administration. This project will become its core business for the period of 6-9 years that has greater potential to generate greater profit.

The Company generates total revenue from services in the amount of Baht 412.95 million, with net loss of Baht 320.37 million, increased by Baht 241.56 million from 2012. In 2012, total revenue from services of the Company was Baht 237.95 million, with net loss of Baht 78.81 million, with loss increased by Baht 91.71 million from 2011. In 2011, revenue from

services was Baht 236.22 million, with a net profit 12.89 million.

Previous Operating Results of Each Business Group

Revenue

This year the revenue of the group is equal to Baht 412.19 million, increased by Baht 174.24 million or 73.23 percent from Baht 237.95 million in 2012. This total revenue for 2013 can be divided into revenue from the first quarter of Baht 137.28 million, second quarter of Baht 60.85 million, third quarter Baht 97.25 million and revenue from the fourth quarter of Baht 116.81 million. The Company's revenue in 2nd and 3rd decreased as the Company had not yet fully received advertisement boards from the Bangkok Metropolitan Administration, and the boards required improvements and repairs. This caused the customers who advertised on the 1st quarter refuse to continue their advertisement with us. The Company also needed to build customers' confidence on the Company's advertisement boards in bus shelters within Bangkok area.

Revenue by nature of services from 2011 – 2013 can be classified as following:

Type of Business	2013		2012		2011	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from Advertising Media & Public Relations Services	122.79	29.79	180.18	75.72	194.22	82.22
2. Revenue from Organizing Public Relation Projects	58.72	14.25	33.04	13.89	38.49	16.29
3. Revenue from Bangkok Bus Shelter Advertisement Project	214.84	52.12	24.73	10.39	-	-
4. Revenue from advertisement boards in upcountry	15.85	3.85				
Total	412.2	100.00	237.95	100.00	236.22	100.00

Revenue from Advertising Media and Public Relations Services In 2013, the Company focused on fully integrated advertising media and public relations services which were interested by customers in governmental organizations, public enterprises and private companies as this was the public relations channel that was able to quickly reach the consumers such as advertisement on large billboards, printings, radio, TV and etc. IN 2013, the major revenue from advertising media and public relations services was Baht 122.79 million or 29.79 percent of total revenue.

Revenue from Public Relations Project The majority of customers in public sector conducted fully integrated public relations activities comprising of various strategic plans for public relations activities in each project to support their public relations plan such as public relations promotion activities or marketing promotion activities along with dissemination of information via different channel, organizing activities in various project to boost the economy as well as organizing government projects. In 2013, the revenues from this segment were from The Credit Card for Farmers Project by the the Bank for Agriculture and Agricultural Cooperatives and The Future of Thai Economy: Post AEC 2015 Project. The proportion of revenue from public relations project from 2011 – 2013 were 31.61, 13.89 and 17.78 percent respectively.

Revenue from Bangkok Bus Shelter Advertisement Project At the beginning of December 2012, the Company earned from leasing advertisement boards in bus shelter within Bangkok area of which the Company was awarded the long-term rights for 3 projects. The first project was the right to provide maintenance services for bus shelter in group A totaling 546 shelters for 9 years. The second project was the right to provide maintenance services for bus shelter in group C totaling 538 shelters for 9 years and the last project as the right to provide improvement, maintenance and installation of advertisement boards for 691 bus shelters (Group D) for 6 years. The Company earned this revenue from advertisements in bus shelter area in the amount of Baht 214.83 million or accounted for 52.12 percent while in 2012, the Company's revenue in this segment was only Baht 24.73 million or 10.39 percent.

Revenue from advertisement boards in upcountry The Company focused on advertisement boards business, therefore acquiring the lease right for advertisement boards in Chiang Mai Municipality in the middle of 2013. The Company began to receive the revenue from advertisement boards in the upcountry area of Baht 13.45 million or 3.26 percent.

Service Cost

Service cost from 2011 to 2013 equals to Baht 159.59 million, Baht 224.99 million and Baht 622.43 million respectively. It was found that service cost in 2013 was the highest among the past 3 years due to the Company was awarded the long-term right from the Bangkok Metropolitan Administration in December 2012 which required to pay annual lease fee and this cost was charged monthly while the revenue was not increased in the same proportion because the advertisement boards provided by the Bangkok Metropolitan Administration was incomplete and required repairing work. It was also important for the Company to build customers' confidence in advertisement boards. In addition, amortization of lease right was recorded as cost. Therefore, the service cost in 2013 increased significantly due to the explanation above. The service costs during 2011 – 2013 were 67.56, 94.55 and 151.00 percent of revenues from services respectively.

Service and Administrative Expenses

The service and administrative expenses from 2011 to 2013 were Baht 61.18 million, Baht 82.77 million and Baht 121.01 million which accounted for 25.90, 34.79 and 29.36 percent of total revenue respectively. When comparing 2012 and 2011, the service and administration expenses was increased while total revenue was not shifted in the same direction as the Company recognized service and administrative expenses of Koa-Sha Media (Thailand) Co., Ltd the whole year in 2012 while in 2011, the Company recognized this expense only for three months. However in 2013, this expense was decreased as the Company had sold ordinary shares of Koa-Sha Media (Thailand) Co., Ltd. Therefore, most of expense in 2013 were related to Bangkok Bus Shelter Advertisement Project.

Financial Cost

In 2012, the Company had issued convertible debenture and had borrowed from financial institutions and related parties to guarantee long-term lease right from Bangkok Metropolitan Administration. During December 2012, the Company had a very high financial cost of Baht 5.42 million and in 2013, the Company had interest liability from loan from financial institution until the middle of the year, when the Company had fully paid the financial institutions. The interest expense for 2013 was Baht 3.79 million.

Net Profit

In 2013, the Company had net loss of Baht 320.37 million which was considered significantly increased from net loss of Baht 78.81 million in 2012 and Baht while in 2011, the Company had net profit of Baht 12.89 million. In 2013, the loss was occurred from being awarded the long-term project from Bangkok Metropolitan Administration which consequently increased cost of services from lease right on advertisement and public relations billboards which could not generate revenue as expected as the Company was awarded the right in December 2012 and advertisement boards given by the Bangkok Metropolitan Administration was incomplete.

FINANCIAL POSITIONS ANALYSIS

Assets

A nature of business of the Company is service, most assets of the Company are current assets namely; cash and cash equivalents and trade account receivables and accrued revenue. At the end of 2011 to 2013, the Company has total assets equivalent to Baht 376.23 million, Baht 453.22 million and Baht 725.20 million respectively. In 2013, the value of total assets of the Group increased comparing to previous year because the Company was granted the lease right on advertisement boards in bus shelter area amounted to Baht 118.63 million while the decreased portion was resulted from selling shares

in Koa-Sha Media (Thailand) Co., Ltd on January 31, 2013. Therefore, Koa-Sha Media (Thailand) Co., Ltd had no longer been the Company's subsidiary. During 2012, the Company bought computer program to evaluate change in the market. The Company's current assets to non-current were 50.33 to 49.67 percent at the end of 2011, 41.87 to 58.16 percent in 2012. Details of each type of assets can be summarized as follows:

Current Assets

Most current assets of the Company are trade account receivables and accrued revenue as well as other receivables contributing to 27.59 percent of total assets at the end of 2010, 42.54 percent of total assets at the end of 2011 and 32.70 percent of total assets at the end of 2012. Cash and cash equivalents equaled to 47.66 percent of total assets, 7.66 percent of total assets in 2011 and 6.89 percent of total assets in 2012.

Cash and cash equivalents

At the end of 2011, the Company had cash and cash equivalents equal to Baht 28.83 million, increased to Baht 31.22 million at the end of 2012 and further increased to Baht 113.35 baht at the end of 2013.

Most of cash and cash equivalents were amount that were set aside as working capital for business operation, reserved for credit facility for issuing letter of guarantee (L/G) to guarantee the bidding, contracts performance guarantee for enduring services to government sector which tended to increase in the same direction with economic growth and invested to expand its business.

Short-term investments

The Company had short-term investment in form of fixed deposit at financial institution for the period of 6 months amounted to Baht 30 million as a guarantee for overdraft. The Company also had trade investment of Baht 12.97 million at the end of 2013.

Trade account receivables and accrued revenue

The Company's trade account receivables and accrued revenue of Baht 84.89 million at the end of 2011, Baht 112.05 million at the end of 2012 and Baht 147.74 million at the end of 2.13. At the end of 2013, total balance of trade account receivables and accrued revenue increased from the increase in revenue mostly from government sector. Moreover during the fourth quarter of 2012, the Company's revenue was increased from being awarded long-term lease right of which payment term was quite long evident from payment received. Average debt collection period were 105 days, 136 days and 94 days from 2011 to 2013 respectively.

Details of the Company's Trade Account Receivables At the end of 2011 – 1013 by age of debt. The table shows account receivables and accrued income	31 Dec 13		31 Dec 12		31 Dec 11	
	(Thousand Baht)	%	(Thousand Baht)	%	(Thousand Baht)	%
Notes receivable	6,286.99	2.92	-	-	-	-
Trade account receivables not yet due	26,565.02	12.33	32,753.67	12.79	16,954.67	12.94
Over due						
- Not over 3 months	75,155.91	34.88	24,591.83	9.65	12,791.88	9.76
- Over 3 months but not over 6 months	2,975.63	1.38	16,212.26	10.16	13,474.74	10.28
- Over 6 months but not over 9 months	112.99	0.05	363.80	4.20	5,564.00	4.25
- Over 9 months	15,662.92	7.27	21,268.44	27.47	36,421.91	27.80
Total trade account receivables	126,759.46	58.83	95,190.00	64.27	85,207.20	65.03
Accrued revenue	88,726.15	41.17	73,959.32	34.57	45,829.01	34.97
Total trade account receivables and accrued revenue	215,485.62	100.00	169,149.31	100.00	131,036.21	100.00
Allowance for doubtful accounts	(67,743.35)		(57,103.19)		(46,144.60)	
Net trade account receivables and note receivables	147,742.27		112,046.12		84,891.61	

Note: * The Company considered some portion of overdue more than 9 months as doubtful accounts which the Company had already taken legal proceedings and had already set allowance for that accounts.

The customers who entered into a contract with the Company to supply advertising and public relations media monthly, of which period of services are fixed are those of well-known private companies. In such case, the Company is able to evaluate their ability to pay correctly as well as the contract has specified monthly payment terms or as set forth in the contract. The Company has a policy to follow up in case of overdue from the first month. In case of large amount of service fee, the Company will require advance payment of at least 50 percent with the rest will be paid to the Company when the service is complete or when credit term of 30 days is due. This is to ensure and reduce the risk of bad debts. Although most of customers are new customers, their business operation is very stable and they are in very good financial position. Therefore, the Company has no problem collecting service fee. In addition, the Company has a policy to set allowance for doubtful account by considering the amount expected not to be paid.

The Company set the allowance for doubtful account amounted to Baht 46.14 million accounted for 35.22 percent of total balance of trade account receivables and accrued revenue at the end of 2011. This was resulted from two customers; Public Relations Department and Nettech Marketing Co., Ltd which were reserved since 2007. In 2012, the allowance for doubtful account was amounted to Baht 57.10 million accounted for 33.76 percent of total balance of trade account receivables and accrued revenue at the end of 2012. The increase of Baht 10.96 million was caused by leasing advertising space on trolley. At the end of 2013, the allowance for doubtful accounts increased by Baht 14.37 million. This was reserved for the Street Soccer against Drugs Project offered to the Company by the Ministry of Finance. This project covered the production of radio advertisement, outdoor media and online media (website), distribution of the mentioned media and organizing opening and closing ceremony. The Company has already completed the project; however the Company has not yet received the payment for the project. The Company plans to file this case to court soon and set allowance for this account of which accrued revenue is equal to Baht 14.00 million.

Non-Current Assets

Non-current assets are mostly consisted of net building improvement and equipment accounting for 7.23, 4.30 percent and 2.70 percent of total assets at the end of 2011 to 2013 respectively; also lease right which accounted for 32.0, 37.07 and 35.21 percent of total assets from 2011 to 2013 respectively.

Building Improvement and Equipment- Net

As the main business of the Company are conducting advertising and public relations media in bus shelter and providing consultation, public relations planning and other media related services. All of which requires minimal investment in fixed assets. Therefore, most investment in fixed assets are purchase of vehicles and appliances as well as office renovation. At the end of 2011, the Company had net building improvement and equipment amounted to Baht 27.20 million, Baht 19.50 million in 2012 and Baht 15.09 million in 2013. In 2012, the amount of net building improvement and equipment was decreased as the Company had relocated its office. The Company had make a depreciation for building improvements and furniture as well as office appliances which were not in use or not able to be relocated. The Company obtained loss from selling vehicles.

In 2012, the Company had invested in program computer to measure changes in the market. This had resulted in the value of non-current assets – computer program in 2012 to increase to 5.63 percent of total assets while the value in 2011 was equivalent to 0.07 percent of total assets.

Lease right was equivalent

Lease right was equivalent to 32.00 percent of total assets at the end of 2011, and increased to 37.07 percent of total assets at the end of 2012 as during the 3rd quarter of 2012, Koa-Sha Media (Thailand) Co., Ltd was granted the right to use commercial space within Suvarnabhumi Airport Rail Link project and City Air Terminal. However according to the information mentioned earlier, the Company sold the ordinary shares of Koa-Sha Media (Thailand) Co., Ltd in January 2013. This had resulted in the value of lease right in 2013 to decrease while the increase portion was resulted from lease rights and

contracts including advertising boards within bus shelter project and acquisition of lease right for advertisement boards in Chiang Mai Municipality.

LIQUIDITY

The Company had higher liquidity from increasing capital and returning the borrowing to financial institutions. These affected the short-term loan from financial institutions and short-term loan from related parties which had increased in 2012 to decrease in 2013. Also, trade account payable and other payable had significantly increased at the end of 2011 until 2013. The Company liquidity ratios equaled to 3.01 times, 1.04 times and 3.00 respectively and quick ratios were equivalent to 3.01 times, 1.04 times and 4.52 times respectively.

Cash Flow

In 2011, the Company's net cash flow was equal to Baht 135.55 million, increase by Baht 2.39 million in 2012. In 2013, the Company's net cash flow was increased by Baht 82.13 million.

In 2011, net cash flow used in operating activity was equivalent to Baht 54.63 million while in 2012, net cash inflow from operating activity was equal to Baht 14.50 million and net cash flow used in operating activity was Baht 341.94 million in 2013 respectively.

In 2011, the Company's cash flow used in investing activity equaled to Baht 132.43 million from acquiring new subsidiary and joint venture with one company in Japan in order to bid for a project. In 2012, the Company used cash flow amounted to Baht 131.99 million in its investing activity to pay for the lease right within Suvarnabhumi Airport Rail Link project and City Air Terminal; and long-term lease right from Bangkok Metropolitan Administration as well as purchasing computer program. In 2013, the Company had available cash flow for investing activity equaled to Baht 127.44 from sale of investment in subsidiary which jointly invested with one company in Japan (which increased in 2011), received borrowings from subsidiary of which the Company's shares in this Company were sold on January 31, 2013 while most of its cash flow was used in its main businesses in advertisement boards in bus shelter project offered to private sector by the Bangkok Metropolitan Administration; Project A and C (6 years) and Project 691 (9 years); and lease right for advertisement boards in Chiang Mai Municipality.

In 2011, the Company generated cash flow from financing activity equaled to Baht 51.51 million by increasing its capital and having joint venture in Japan. In 2012, cash flow from financing activity equaled to Baht 119.88 million by short-term loan from Koa-Sha Media (Thailand) Co., Ltd and related parties. Moreover, the Company had obtained long-term loan from financial institutions and issued convertible debentures in Singapore dollar; all of which had already been exercised. In 2013, the Company generated cash flow from financing activity equaled to Baht 551.51 million by increasing its capital and exercising warrants as well as paying back all loans from financial institutions borrowed at the beginning of the year.

Coverage ratio

In 2013, the Company was able to increase its capital and pay back long-term loan from financial institutions and short-term loan from related parties obtained at the end of 2012 as guarantee for long-term lease right awarded by the Bangkok Metropolitan Administration. In the previous year, the Company did not borrow from the financial institutions excepts overdraft as appropriated in short period of time and the Company had only liability from acquiring vehicles an office appliances. These had resulted in the decrease of interest coverage ratio together with the Company had experienced loss during the past year. The Company's interest coverage ratio were equivalent to 26.19 times in 2011, (12.87) times in 2012 and (87.31) times in 2013.

SOURCES OF FUND

In 2013, the Company's fund structure comprised of sale of investment in subsidiary on January 31, 2013, increase capital as per shareholder's meeting 1/2556 on April 25, 2013 and exercise of warrants in 2012. These sources were from

shareholders' equity and short-term loans from related persons and companies as well as long-term loans from financial institutions in order to use as guarantee on long-term lease right awarded by the Bangkok Metropolitan Administration. These had caused the debt to equity ratio to considerably increased in 2012 by which the Company's debt to equity ratio were 0.23 times, 0.74 times and 0.22 times from 2011 to 2013 respectively.

Shareholders' Equity

The Company's shareholders' equity from the end of 2011 to 2013 were Baht 306.33 million, increased by Baht 260.64 million and decreased to Baht 536.84 million respectively. These were resulted from operating loss for fiscal year 2012 and 2013 and increase its capital as per ordinary shareholder's meeting 1/2556 on April 25, 2013 as well as exercising warrants.

Liability

The Company had total liability at the end of 2011 to 2013 equaled to Baht 69.90 million, Baht 192.58 million. In 2013, the trade account payable of the company increased by 23.06 million baht or equivalent to 19.51% of total liabilities and Baht 118.19 million respectively. At the end of 2013, most of liabilities were trade account payable and deferred cost which increased to Baht 50.12 million or accounted for 42.40 percent of total liability. These was resulted from suspending monthly payment for lease right and lease right for the 2nd year of installation and maintenance of advertisement board in bus shelter project offered to private sector by the Bangkok Metropolitan Administration during the end of 2013 at the proportion of advertisement boards being suspended by Bangkok Metropolitan Administration.



AUDITOR'S REPORT

รายงานของผู้สอบบัญชีรับอนุญาต

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTOR OF THREE SIXTY FIVE PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and company financial statements of Three Sixty Five Public Company Limited and its subsidiaries and of Three Sixty Five Public Company Limited, which comprise the consolidated and company statement of financial position as at 31 December 2013, and the consolidated and company statement of comprehensive income, the consolidated and company statement of changes in shareholders' equity and the consolidated and company statement of cash flows for the reporting 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.

OPINION

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Three Sixty Five Public Company Limited and its subsidiaries and of Three Sixty Five Public Company Limited as at 31 December 2013 and consolidated and company results of operations and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Surachai Damnoenwong

Certified Public Accountant (Thailand) No. 4721

RSM Audit Services (Thailand) Limited

Bangkok

27 February 2014

Statements of Financial Position

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

		Consolidated		The Company	
	Notes	2013	2012	2013	2012
ASSETS					
CURRENT ASSETS					
Cash and cash equivalent items	7	113,350,983	31,220,479	72,795,426	27,677,983
Temporary investments	8	42,975,128	-	42,975,128	-
Trade and other receivables - net	6 and 9	179,514,962	148,199,417	158,617,511	86,580,769
Short-term loans to subsidiary companies	6	-	-	20,725,000	95,642,248
Assets held for sale	10	-	7,879,770	-	-
Other current assets	11	11,030,754	2,315,586	1,192,750	862,194
Total Current Assets		346,871,827	189,615,252	296,305,815	210,763,194
NON-CURRENT ASSETS					
Deposit at financial institution used as collateral	12	12,635,000	13,739,189	12,635,000	13,739,188
Investments in subsidiary companies	13	-	-	104,997,000	80,497,000
Investment in joint venture	14	-	2,896,633	-	-
Leasehold improvement and equipment-net	15	15,093,234	19,496,382	10,274,170	8,877,025
Intangible asset - net	16	23,255,668	25,523,437	23,184,588	25,382,229
Leasehold rights - net	17	215,483,089	167,989,881	182,132,590	36,936,617
Goodwill		22,734,936	22,734,936	-	-
Other non - current assets	18	18,964,348	11,223,057	7,941,996	6,222,705
Total Non - Current Assets		308,166,275	263,603,515	341,165,344	171,654,764
Total Assets		655,038,102	453,218,767	637,471,159	382,417,958
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade and other payables	6 and 19	101,512,791	52,850,469	76,798,572	23,357,306
Current portion of finance lease payable	20	449,109	2,526,212	-	1,588,981
Current portion of long - term loans from financial institution	21	-	22,680,000	-	22,680,000
Short-term loans from related parties	6	-	86,965,594	5,000,000	22,000,000
Value added tax payable		13,306,651	11,819,498	11,298,120	7,469,495
Income tax payable		520,409	890,488	-	-
Contractual guarantee	6	-	5,019,999	-	15,561,100
Other current liabilities		21,978	21,978	21,978	21,978
Total Current Liabilities		115,810,938	182,774,238	93,118,670	92,678,860

The accompanying notes form an integral part of these financial statements

Statements of Financial Position [Continued]

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

		Consolidated		The Company	
Notes		2013	2012	2013	2012
Non - Current Liabilities					
Finance leases payable-net	20	516,408	4,738,297	-	3,042,931
Long-term loans from financial institution - net	21	-	4,198,625	-	4,198,625
Employee benefit obligations	22	1,199,700	868,069	294,988	187,418
Other non-current liabilities		670,000	-	670,000	-
Total Non - Current Liabilities		2,386,108	9,804,991	964,988	7,428,974
Total Liabilities		118,197,046	192,579,229	94,083,658	100,107,834
SHAREHOLDERS' EQUITY					
Share capital					
Registered					
2,811,433,357 ordinary shares	23	281,143,336	-	281,143,336	-
of Baht 0.10 each					
1,894,970,437 ordinary shares		-	189,497,043	-	189,497,043
of Baht 0.10 each					
Issued and paid - up					
2,410,326,895 ordinary shares	23	241,032,689	-	241,032,689	-
of Baht 0.10 each					
1,366,404,228 ordinary shares		-	136,640,423	-	136,640,423
of Baht 0.10 each					
Premiums on share capital		693,022,928	191,924,455	693,022,928	191,924,455
Deficits		(397,214,561)	(76,978,491)	(390,668,116)	(46,254,754)
Total equity attributable to shareholders of the Company		536,841,056	251,586,387	543,387,501	282,310,124
Non-controlling interests of subsidiary company		-	9,053,151	-	-
Total Shareholders' Equity		536,841,056	260,639,538	543,387,501	282,310,124
Total Liabilities and Shareholders' Equity		655,038,102	453,218,767	637,471,159	382,417,958

The accompanying notes form an integral part of these financial statements

Statements of Comprehensive Income

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

	Notes	Consolidated		The Company	
		2013	2012	2013	2012
Service incomes	6	412,197,825	237,952,702	323,655,944	113,731,049
Cost & Services	6	(622,430,381)	(224,994,375)	(567,743,529)	(125,963,321)
Gross profit		(210,232,556)	12,958,327	(244,087,585)	(12,232,272)
Gain from realisation of investments in subsidiary company	13	45,720,122	-	29,500,000	-
Gain (loss) on disposal of temporary investments		(2,376,843)	17,240,307	(2,376,843)	17,240,307
Unrealised loss on temporary investments	8	(8,130,976)	-	(8,130,976)	-
Other income	6	4,718,028	9,087,130	6,318,330	4,260,198
Share of gain (loss) joint venture	14	169,926	(103,366)	-	-
Service expenses		(46,871,849)	(29,792,721)	(39,833,858)	(11,878,099)
Administrative expenses	6	(60,128,420)	(38,455,978)	(53,653,643)	(19,936,625)
Doubtful debts		(14,378,726)	(10,958,593)	(14,018,692)	-
Loss on written-off withholding taxes		(4,890,054)	(404,120)	(4,842,190)	-
Loss from disposal of fixed asset		(2,816,161)	(8,779,138)	(799,334)	(1,205,853)
Loss from write-off of leasehold right		-	(6,673,200)	-	(6,673,200)
Management's remuneration	6	(14,017,744)	(14,119,251)	(8,517,500)	(5,687,218)
Finance costs	6	(3,794,487)	(5,423,787)	(3,971,071)	(4,338,994)
Loss before income tax expense		(317,029,740)	(75,424,390)	(344,413,362)	(40,451,756)
Income tax expense		(3,344,162)	(3,387,219)	-	-
Loss for the years		(320,373,902)	(78,811,609)	(344,413,362)	(40,451,756)
Other comprehensive income (loss)		-	-	-	-
Total comprehensive income (loss) for the years		(320,373,902)	(78,811,609)	(344,413,362)	(40,451,756)
Loss attributable to :					
Shareholders of the Company		(320,236,070)	(65,420,944)	(344,413,362)	(40,451,756)
Non-controlling interest of subsidiary company		(137,832)	(13,390,665)	-	-
		(320,373,902)	(78,811,609)	(344,413,362)	(40,451,756)
Loss per share	25				
Basic loss per share		(0.1656)	(0.0592)	(0.1780)	(0.0304)
Diluted loss per share		-	-	-	-

The accompanying notes form an integral part of these financial statements

Statements of Changes in Shareholders' Equity

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

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Notes	Issued and Share Capital	Premiums Share Capital	Retained Earnings Unappropriated	Total Equity Attributable the Company	Non-Controlling Subsidiary Company-net	Total
Cash and cash equivalent items	125,743,280	169,699,386	(11,557,547)	283,885,119	22,443,816	306,328,935
Temporary investments 23	10,897,143	22,225,069	-	33,122,212	-	33,122,212
Total comprehensive loss for the year	-	-	(65,420,944)	(65,420,944)	(13,390,665)	(78,811,609)
Balance as at 31 December 2012	136,640,423	191,924,455	(76,978,491)	251,586,387	9,053,151	260,639,538
Increase of share capital 23	104,392,266	501,098,473		605,490,739	-	605,490,739
Decrease of non-controlling interests of subsidiary company 13	-	-	-	-	(8,915,319)	(8,915,319)
Total comprehensive loss for the year	-	-	(320,236,070)	(320,236,070)	(137,832)	(320,373,902)
Balance as at 31 December 2013	241,032,689	693,022,928	(397,214,561)	536,841,056	-	536,841,056

Statements of Changes in Shareholders' Equity [Continued]

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

		The Company		
	Note	Issued and Share Capital	Premiums Share Capital	Retained Earnings Unappropriated
Cash and cash equivalent items		125,743,280	169,699,386	(5,802,998)
Temporary investments	23	10,897,143	22,225,069	-
Total comprehensive income for the year		-	-	(40,451,756)
Balance as at 31 December 2012		136,640,423	191,924,455	(46,254,754)
Increase of share capital	23	104,392,266	501,098,473	-
Total comprehensive loss for the year		-	-	(344,413,362)
Balance as at 31 December 2013		241,032,689	693,022,928	(390,668,116)

The accompanying notes form an integral part of these financial statements

Statements of Cash Flows

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Cash Flow From operating Activities				
Loss before income tax for the year	(317,029,740)	(75,424,390)	(344,413,362)	(40,451,756)
Adjustments to reconcile profit (loss) for the period to net cash				
Depreciation	2,874,049	4,256,507	2,048,106	1,379,296
Amortization of intangible assets	2,769,542	1,317,688	2,746,641	1,282,025
Amortization of leasehold right	57,391,555	49,559,320	48,664,784	21,042,440
Loss on written-off leasehold rights	-	6,673,200	-	6,673,200
Loss on written-off withholding taxes	4,890,054	404,120	4,842,190	-
Bad debt	28,779	-	28,779	-
Doubtful debts	14,378,726	10,958,593	14,018,692	-
Employee benefit obligation	331,631	281,007	107,570	90,491
Gain from realisation of investment in subsidiary company	(45,720,122)	-	(29,500,000)	-
(Gain) loss on disposal of temporary investments	2,376,843	(17,240,307)	2,376,843	(17,240,307)
Unrealised loss on temporary investments	8,130,976	-	8,130,976	-
Loss on disposal of fixed asset	2,816,161	8,779,138	799,334	1,205,853
Share of gain (loss) from investment in jointventure	(169,926)	103,366	-	-
Stock dividend	-	(1,827,800)	-	(1,827,800)
Interest incomes	(1,007,725)	(594,787)	(2,802,913)	(2,084,542)
Interest expenses	3,794,487	1,625,145	3,971,071	294,415
Profit from operation before changes in operating assets and liabilities	(264,144,710)	(11,129,200)	(288,981,289)	(29,636,685)
Operating assets decrease (increase)				
Cash received from sale on temporary investments	9,675,811	45,014,107	9,675,811	45,014,107
Cash payment for acquirement of temporary investment	(63,158,758)	(25,946,000)	(63,158,758)	(25,946,000)
Trade and other receivables	(55,393,604)	(5,545,865)	(89,526,434)	26,172,137
Assets held for sale	-	(7,879,770)	-	-
Other current assets	(8,722,312)	(1,819,065)	(330,557)	(499,703)
Other non-current assets	(9,186,991)	(4,969,617)	(1,719,291)	(3,685,660)
Operating liabilities increase (decrease)				
Trade and other payables	60,246,298	27,669,426	59,367,251	14,135,036
Value added tax payable	1,487,153	2,046,939	3,828,625	(59,001)

The accompanying notes form an integral part of these financial statements

Statements of Cash Flows [Continued]

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Other current liabilities	150,322	-	-	-
Contractual guarantee	-	5,019,999	(15,561,100)	15,561,100
Non - current liabilities	670,000	-	670,000	-
Cash received (paid in) operating activities	(328,376,791)	22,460,954	(385,735,742)	41,055,331
Interest expenses	(3,311,736)	(830,544)	(3,967,200)	(294,414)
Refund of withholding taxes paid	-	870,595	-	-
Income tax paid	(10,252,580)	(8,003,180)	(5,929,857)	(1,475,720)
Net cash provided (used in) operating activities	(341,941,107)	14,497,825	(395,632,799)	39,285,197
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds for short-term loans to subsidiary companies	-	-	(9,100,000)	(90,517,248)
Cash received in short-term loans to subsidiary companies	65,000,000	-	84,017,248	25,500,000
Cash received in disposal of investment in subsidiary company	37,251,531	-	55,000,000	-
Proceeds for short-term loans to related party	-	-	(50,000,000)	-
Cash received from jointventure	2,000,000	-	-	-
Paid for investments in joint venture	-	(3,000,000)	-	-
Purchase of equipments	(14,127,918)	(11,529,758)	(11,164,661)	(6,497,082)
Purchase of intangible assets	(573,930)	(26,563,228)	(549,000)	(26,470,588)
Disposal of fixed asset	2,170,228	9,393,646	2,170,228	5,907,664
Disposal of assets held for sale	7,897,770	-	-	-
Purchase of leasehold right	(228,895,755)	(97,142,632)	(189,110,909)	(19,073,012)
Increase in deposit at financial institution used as collateral	1,104,189	(3,739,189)	1,104,189	(3,739,189)
Interest income	731,123	594,787	1,402,945	874,382
Net cash provide (used in) investing activities	(127,442,762)	(131,986,374)	(116,229,960)	(114,015,073)
CASH FLOW FROM FINANCING ACTIVITIES				
Cash received from financial institution	93,121,375	26,878,625	93,121,375	26,878,625
Repayment for loans from financial institution	(120,000,000)	-	(120,000,000)	-
Repayment for loans from director	(22,000,000)	-	(22,000,000)	-
Cash received from short-term loans to subsidiary companies	-	65,491,588	5,000,000	22,000,000
Cash received from convertible debentures	-	36,000,000	-	36,000,000
Cash received from increase of share capital	70,020,268	-	70,020,268	-
Cash received from increase of Premiums on share capital	501,098,473	-	501,098,473	-
Paid for transaction cost of convertible debentures	-	(5,050,375)	-	(5,050,375)

The accompanying notes form an integral part of these financial statements

Statements of Cash Flows [Continued]

Three Sixty Five Public Company Limited and Its Subsidiaries

As at 31 December 2013 and 2012

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Repayment for financial lease payables	(5,097,741)	(5,615,259)	(4,631,912)	(1,584,256)
Cash received from exercise rights to purchase ordinary share	34,371,998	2,172,587	34,371,998	2,172,587
Net cash provide (used in) financing activities	551,514,373	119,877,166	556,980,202	80,416,581
Cash and cash equivalent items increase (decrease)-net	82,130,504	2,388,617	45,117,443	5,686,705
Cash and cash equivalent items at the beginning of the year	31,220,479	28,831,862	27,677,983	21,991,278
Cash and cash equivalent items at the end of the year	113,350,983	31,220,479	72,795,426	27,677,983
Additional Information :				
1. The group companies have non-monetary items as follows				
- Purchase of assets under long-term lease contracts	-	3,200,000	-	3,200,000
- Sales of assets by off-setting with lease payables	1,201,251	-	-	-
- Transfer out work in process to leasehold rights	4,749,848	-	4,749,848	-
- Reclassify investment in joint venture to other receivable	1,066,559	-	-	-
2. For the year ended 31 December 2013, the Company sold investment in subsidiary company as mentioned in the note 13 to the financial statements				

The accompanying notes form an integral part of these financial statements

Notes to the Consolidated and Company Financial Statements

Three Sixty Five Public Company Limited and its subsidiaries

31 December 2013

1. GENERAL INFORMATION

Three Sixty Five Public Company Limited ("the Company") is a public limited company, incorporated in Thailand. The address of its registered office is as follows:

31st Fl., Sun Towers Bldg.B, 123 Vibhadi-Rangsit Rd., Chomphon, Chatuchack, Bangkok Thailand.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business of the Group is providing advice, suggestion and planning for every of kind public relation advertisement proceeding.

The consolidated and company financial statements were approved for announcement by the Company's Director as at 27 February 2014.

2. BASIS OF PREPARATION

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E.2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The consolidated and company financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

An English version of the consolidated and company financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

The consolidated financial statements include the financial statements for the years ended 31 December 2013 and 2012 of Three Sixty Five Public Company Limited and its subsidiaries, details of which are as follows:

2.1 Subsidiary companies were as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2013	2012
Work by Heart Co., Ltd.	Providing advise ,suggestion and planning of every kind of public relation advertisement proceeding	Thailand	100	100
TSF Management Co., Ltd.	Managing and Providing advice for business operation including representation service for business operation	Thailand	100	100
KOA-SHA Media (Thailand) Co., Ltd.	Operating in every kind of public relation advertisement proceeding	Thailand	-	51
Tra Mai Tai Co., Ltd.	Liquidation	Thailand	-	51

The financial statement of KOA-SHA-Media (Thailand) Co., Ltd have been included in the consolidated financial statements for the period from 1 January 2013 to 31 January 2013 (Sale on investment date) as mentioned in the note 13 to the financial statements.

The financial statement of Tra Mai Tai Co., Ltd have been included in the consolidated financial statements for the period from 16 March 2012 (date of company incorporation) to 27 December 2012 (the Company's termination date).

2.2 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

2.3 Investments in the subsidiary company as recorded in the Company's books of account are eliminated against the equity of the subsidiary companies.

2.4 Results of operations of the subsidiary company have been included in or excluded from the consolidated financial statements as from their effective dates of acquisition or disposal of the investments, respectively.

2.5 The consolidated financial statements have been prepared by applying the same accounting policy for the same accounting transaction or similar accounting event.

3. APPLICATION OF NEW ACCOUNTING STANDARDS DURING THE YEAR

The Federation of Accounting Professions issued the following accounting standards, financial reporting standard, and accounting standard interpretations that are effective for fiscal years beginning on or after 1 January 2013.

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
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

New accounting policies resulting from new accounting standards, new financial reporting standards, revised accounting standards and related interpretations are discussed in Note 5. The adoption of those accounting policies has no material impacts to the Group.

4. NEW ACCOUNTING STANDARDS ISSUED DURING THE PERIOD AND NOT YET EFFECTIVE

- a) Revised accounting standards and financial reporting standards which are effective on 1 January 2014 are as follows:

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 Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
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

The revised above accounting standards and financial reporting standards have no material impacts to the Group

- b) Interpretations of Thai Financial Reporting Interpretations Committee (TFRIC) and Thai Standard Interpretations Committee (TSIC) effective on 1 January 2014 are as follows:

Financial Reporting Standard Interpretations:

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
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

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

At present, the management is under evaluation of the impact on the financial statements in the year when this standard is adopted.

- c) New financial reporting standard which is effective on 1 January 2016 are as follows:

Financial Reporting Standards:

TFRS 4	Insurance Contracts
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This financial reporting standard is not relevant to the business of the Group.

5. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated and company financial statements are set out below:

5.1 Cash and cash equivalents

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

5.2 Temporary investments in trading securities

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.

Trading investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost. Trading investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. Realised and unrealized gains and losses arising from changes in the fair value of trading investments are included in the statements of comprehensive income

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

5.3 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realizable value. Allowance for doubtful accounts is provided to cover the estimated losses that may be incurred in collection. The allowance is based on collection experience and current status of receivables outstanding at the statements of financial position date. Bad debts will be written off for the accounts considered uncollectible.

5.4 Assets held for sale

Assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the assets are available for immediate sale in its present condition. Assets held for sale are stated at the lower of cost or fair value after deducting cost to sell. Loss on impairment will be recorded as expense in the statements of comprehensive income.

Gain or loss on disposals of assets classified as held for sale is recognized in the statements of comprehensive income at the date of disposal.

5.5 Investment in subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

In the Company's separate financial statements investments in subsidiaries are reported by using the cost method.

5.6 Joint Ventures

The Group's interests in jointly controlled entities are accounted for using the equity method in the consolidated financial statements and cost method in the Company's financial statement. The Group recognizes the portion of gains or losses on the sale of assets by the Group to the joint venture that it is attributable to the other ventures. The Group does not recognise its share of profits or losses from the joint venture that result from purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realizable value of current assets or and impairment loss, the loss is recognised immediately.

5.7 Leasehold improvement and equipment-net

Leasehold improvement and equipment is stated at cost less accumulated depreciation and provision for impairment (if any).

Cost includes acquisition cost and any cost directly attributable to brining the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence for having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is calculated on the straight line method to write off the cost or the amount of each asset, to its residual value over the estimated useful lives as follows

Leasehold improvement	5	Year
Equipment and tools	4-5	Year
Furniture and office equipment	4-5	Year
Vehicles	5	Year

Gains and losses on disposal of building improvement and equipment or no future economic benefits are determined by reference to their carrying amount and are taken into account in determining profit/loss from operations.

Expenditures for additions, renewals and improvements, which result in substantial increase in an asset's current replacement value, are capitalised. Repair and maintenance costs are recognised as an expense when incurred.

5.8 Intangible assets

Computer software is stated cost less accumulated amortization and provision for impairment (if any) and is amortized as expense on a straight-line basis over a period of 5-10 year

5.9 Leasehold rights

Leasehold right are shown at cost less by accumulated amortization and accumulated allowance for impairment (if any) of that asset leasehold right, which consisted of the contractual right to obtain the leasehold right of the construction. The said leasehold right is classified as operating lease and it would be gradually amortized as expense on the straight-line method over the approximate beneficial live of the said right under the lease term of 1-10 years.

5.10 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associated undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated balance sheet as an intangible asset. Goodwill on acquisitions of associates is included in investments in associates and is tested for impairment as part of the overall balance.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

5.11 Impairment of assets

The Company and its subsidiaries assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company and its subsidiaries make an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the comprehensive income statement. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

If there is subsequently any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company will make another estimate of the asset's recoverable value, compare this with the book value, and reverse previously recognised impairment to reflect the change in recoverable value.

5.12 Accounting for leases – where a Group company is the lessee

Leases of property, plant or equipment which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of

the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of income over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place

5.13 Provisions for liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a results of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

5.14 Foreign currency translation

Transactions denominated in foreign currencies are translated into Baht at the rates of exchange ruling on the transaction dates. Realised gains and losses on exchange are recognised as income or expense in the statements of comprehensive income as incurred. Monetary assets and liabilities at the statements of financial position date denominated in foreign currencies are translated into Baht at the rates of exchange ruling at statements of financial position date. Unrealised gains and losses on exchange are recognised in the statements of comprehensive income as incurred.

5.15 Employee benefits

Post-employment benefits (Defined contribution plans)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates.

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

5.16 Revenue recognition

5.16.1 Revenues from providing public relation services and revenues from preparing public relation activities are recognized on the stages of completion of work.

5.16.2 Revenues from productions of public relation advertisements are recognized when the service has been rendered.

5.16.3 Revenue from advertising is recognized when the advertisement has been released to the public.

5.16.4 Interest income is recognized in accordance with effective rate and on time proportion basis.

5.16.5 Other incomes are recognized on accrual basis.

5.17 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or 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.

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

5.18 Segment reporting

Segment information has been prepared based on the internal report of the Group, which disaggregates its business by services or products and by geographic area.

5.19 Financial instruments

The Company and its subsidiary have no policy to speculate in or engage in the trading of any financial derivative instruments.

Financial instruments carried on the statements of financial position include cash and bank balances, bank overdraft and short term loan from financial institution, trade receivables, trade creditors, loans to and loan from related companies. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

5.20 Corporate income tax

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted or substantively, enacted at the statement of financial position date.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date. Deferred tax asset shall be reduced to the extent that utilized taxable profits decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the statement of financial position date.

5.21 Basic loss per share

Basic loss per share

Basic loss per share is calculated by dividing the net loss for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share

Diluted loss per share is calculated by dividing net income (loss) for the year by the weighted average number of ordinary shares in issue during the year plus adjustments of conversion of all dilutive potential ordinary shares from the exercise of the warrants provided that the conversion carried out at the beginning of the year or issuance of potential ordinary shares.

5.22 Critical accounting estimates, assumption, judgements and capital risk management

1) Critical accounting estimates, assumption and judgements

Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates for certain accounting transactions, affecting amounts reported in the financial statements and notes related thereto. Subsequent actual results may differ from these estimates.

Estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Allowance for doubtful accounts

The Group's Company maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the default or inability of customers to make required payments. The allowance is based on consideration of historical collection experience, known and identified instances of default of each customer.

Leasehold improvement and equipment

Management determines the estimated useful lives and residual values for the Group's leasehold improvement and equipment. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

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

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

2) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going

concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The Company and its subsidiaries have transactions with its related companies. These companies are related through common shareholding and/or directorship.

Details of relationship between the Group and related parties which related through control or transaction are as follows:

Company Name	Relationship Nature	Related by
Work By Heart Co., Ltd.	Subsidiary Company	Direct shareholding
TSF Management Co., Ltd.	Subsidiary Company	Direct shareholding
KOA-SHA Media (Thailand) Co., Ltd.***	Subsidiary Company	Direct shareholding
Three six five fresh air joint venture	Joint Venture	Direct shareholding
KOA-SHA Co., Ltd.***	Related Company	Major shareholder in subsidiary company
KOA-SHA International Co., Ltd.***	Related Company	Major shareholder in subsidiary company
Liger Management Co., Ltd.**	Related Company	Common Director
Bangkok Showcase Co., Ltd. *	Related Company	The Company's shareholder represent a director
Daypoets Co., Ltd. *	Related Company	The Company's shareholder represent a director
Media Target Company Limited **	Related Company	Major shareholder is the relative with the key management
Mr. Aran Apichari	Director of parent company	Chairman of the board

* The Company was not considered as a related company after the shareholder sold all ordinary shares of Three Sixty Five PCL in the third quarter of 2012.

** The Company was not considered as a related company after the shareholder sold all ordinary shares of Three Sixty Five PCL in the fourth quarter of 2012.

*** The Company was not considered as a related company after the Company sold all ordinary shares of KOA-SHA Media (Thailand) Co., Ltd. in 31 January 2013.

Pricing policies for related transactions are as follows:

Pricing policies for related transactions

Transactions	Price policy
Service income	Mutually agreed price
Cost of services	Mutually agreed price
Rent and consulting fee	Mutually agreed price as stipulated in service agreements
The expenses paid on behalf of each other	Charged according to actual expenses
Leasehold rights	Mutually agreed price as stipulated in agreements

Transactions with related parties for the years ended 31 December 2013 and 2012 were as follows:

(Unit : Baht)

	For the years ended 31 December			
	Consolidated		The Company	
	2013	2012	2013	2012
Service income				
Bangkok Showcase Co., Ltd.	-	19,024,267	-	19,024,267
KOA-SHA International Co., Ltd.	-	1,738,700	-	-
Liger Management Co., Ltd.	-	4,923,750	-	-
TSF Management Co., Ltd.	-	-	6,957,000	-
Work by Heart Co., Ltd.	-	-	3,125,000	-
Media Target Co., Ltd.	-	1,216,000	-	640,000
	-	26,902,717	10,082,000	19,664,267
Other income				
KOA-SHA Media (Thailand) Co., Ltd.	-	-	-	242,000
Interest income				
Work by Heart Co., Ltd.	-	-	283,288	572,383
KOA-SHA Media (Thailand) Co., Ltd.	-	-	-	482,752
TSF Management Co., Ltd.	-	-	1,664,838	633,431
	-	-	1,948,126	1,688,566
Cost of service				
TSF Management Co., Ltd.	-	-	11,880,850	6,167,400

(Unit : Baht)

	For the years ended 31 December			
	Consolidated		The Company	
	2013	2012	2013	2012
Work by Heart Co., Ltd.	-	-	-	60,000
KOA-SHA Media (Thailand) Co., Ltd.	-	-	-	532,000
Bangkok Showcase Co., Ltd.	-	5,310,000	-	4,100,000
Daypoets Co., Ltd.	-	1,172,000	-	1,088,000
Liger Management Co., Ltd.	-	747,663	-	-
Media Target Co., Ltd.	-	9,054,058	-	3,380,320
	-	16,283,721	11,880,050	15,327,720
Administrative expenses				
Advertising and promotion expenses				
Bangkok Showcase Co., Ltd.	-	7,000,000	-	7,000,000
Rental fee and other service expenses				
Work by Heart Co., Ltd.	-	-	-	913,340
Liger Management Co., Ltd.	-	600,000	-	-
	-	600,000	-	913,340
Interest expense				
KOA-SHA International Co., Ltd.	-	732,981	-	-
KOA-SHA Co., Ltd.	-	61,619	-	-
Work by Heart Co., Ltd.	-	-	250,959	-
Mr. Aran Apichari	154,301	-	154,301	-
	154,301	794,600	405,260	-
Management's remuneration				
Management's salary	10,862,744	12,422,433	5,362,500	3,990,400
Director's meeting allowance	3,155,000	1,696,818	3,155,000	1,696,818
	14,017,744	14,119,251	8,517,500	5,687,218
Leasehold rights				
Media Target Co., Ltd.	-	9,953,395	-	-

Outstanding balances with related parties as at 31 December were as follows:

(Unit : Baht)

	For the years ended 31 December			
	Consolidated		The Company	
	2013	2012	2013	2012
Trade accounts receivable				
KOA-SHA International Co., Ltd.	-	609,900	-	-
Accrued income				
TSF Management Co., Ltd.	-	-	7,064,140	-
Other receivables				
Other receivables				
Three six five fresh air joint venture	1,066,559	-	-	-
Work by Heart Co., Ltd.	-	-	9,238	138,844
TSF Management Co., Ltd.	-	-	-	-
KOA-SHA Media (Thailand) Co., Ltd.	-	-	-	-
	1,066,559	-	9,238	138,844
Accrued interest income				
Work by Heart Co., Ltd.	-	-	394,740	111,452
TSF Management Co., Ltd.	-	-	2,067,814	630,401
KOA-SHA Media (Thailand) Co., Ltd.	-	-	-	482,752
	-	-	2,462,554	1,224,605
Total other receivables	1,066,559	-	2,471,792	1,363,449

(Unit : Baht)

	The Company			
	2012	Increase	Decrease	2013
Short-term loan to subsidiary companies				
Work by Heart Co., Ltd.	8,000,000	2,500,000	(10,500,000)	-
TSF Management Co., Ltd.	23,125,000	6,600,000	(9,000,000)	20,725,000
KOA-SHA Media (Thailand) Co., Ltd.	64,517,248	-	(64,517,248)	-
Total	95,642,248	9,100,000	(84,017,248)	20,725,000

Short-term loans to subsidiaries represented promissory notes due at call and bear interest rate at 8.00% per annum (2012 : 3% per annum). The loans will be used for working capital purpose.

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Trade accounts payable				
TSF Management Co., Ltd.	-	-	1,256,180	-
Accrued cost				
TSF Management Co., Ltd.	-	-	27,178	27,178
Other payables				
Work by Heart Co., Ltd.	-	-	24,050	276,525
TSF Management Co., Ltd.	-	-	-	6,450,000
KOA-SHA Co., Ltd.	-	61,619	-	-
KOA-SHA International Co., Ltd.	-	732,981	-	-
	-	794,600	24,050	6,726,525
Accrued interest expense				
Work by Heart Co., Ltd.	-	-	250,959	-
*Contractual guarantee				
KOA-SHA Media (Thailand) Co., Ltd.	-	-	-	15,561,100

* This represented contractual guarantee received from a subsidiary as security for bank guarantee issued by the parent company's banker and credit line for the conduct of business with business partner.

(Unit : Baht)

	Consolidated			2013
	2012	Increases	Decreases	
Short-term loans from related parties				
KOA-SHA Co., Ltd.**	64,965,594	-	(64,965,594)	-
Mr. Aran Apichari*	22,000,000	-	(22,000,000)	-
	86,965,594	-	(86,965,594)	-

* Short-term loans from related parties represented promissory notes due within three months and bear interest rate at 3.00% per annum. The loans will be used for working capital purpose.

** Decrease in realisation of investment in a subsidiary as outlined in note 13 to financial statements.

(Unit : Baht)

	The Company			2013
	2012	Increase	Decrease	
Short-term loan from related party				
Work by Heart Co., Ltd.	-	5,000,000	-	5,000,000

(Unit : Baht)

	The Company			
	2012	Increase	Decrease	2013
Mr. Aran Apichari*	22,000,000	-	(22,000,000)	-
	22,000,000	5,000,000	(22,000,000)	5,000,000

As at 31 December 2013, this represented promissory notes due at call and bear interest rate at 8.00% per annum. The loan will be used for working capital purpose.

*As at 31 December 2012, this represented promissory notes due within three months and bear interest rate at 3.00% per annum. The loan will be used for working capital purpose.

7. CASH AND CASH EQUIVALENTS

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Cash on hand	109,024	105,013	57,683	30,598
Cash at bank	83,176,952	31,115,466	42,672,736	27,647,385
Open-ended fund	30,065,007	-	30,065,007	-
Cash and cash equivalents	113,350,983	31,220,479	72,795,426	27,677,983

As at 31 December 2013, the interest rate on short term bank deposits represented 0.50% – 0.63% per annum (2012: 0.50% – 0.63% per annum).

8. TEMPORARY INVESTMENT

(Unit : Thousand Baht)

	Consolidated and the Company	
	2013	2012
Fixed deposit at bank for the period of 6-month	30,000,000	-
Trading investments	12,975,128	-
	42,975,128	-

As at 31 December 2013, fixed deposit at bank for the period of 6-month bear interest at the rate 1.75% per annum.

Movements of trading investments for the year ended as at 31 December 2013 and 2012 were as follows:

(Unit : Baht)

	Consolidated and the Company	
	2013	2012
Investments held for trading		
Opening balance	-	-
Addition	33,158,758	25,946,000
Stock dividends	-	1,827,800
Disposals	(12,052,654)	(27,773,800)
Change in fair value of investment	(8,130,976)	-
Closing balance	12,975,128	-

9. TRADE AND OTHER RECEIVABLES – NET

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Trade accounts receivable				
Trade accounts receivable – related parties (Note 6)	-	609,900	-	-
Trade accounts receivable – other parties	120,472,473	94,580,096	91,078,056	40,884,901
Notes receivable	6,286,991	-	742,991	-
	126,759,464	95,189,996	91,821,047	40,884,901
<u>Less</u> Allowance for doubtful debts	(11,624,653)	(15,003,193)	(4,044,600)	(4,044,600)
Trade accounts receivable – net	115,134,811	80,186,803	87,776,447	36,840,301
Accrued income				
Accrued income – related parties (Note 6)	-	-	7,064,140	-
Accrued income – other parties	88,726,152	73,959,318	88,726,152	70,730,094
	88,726,152	73,959,318	95,790,292	70,730,094
<u>Less</u> Allowance for doubtful debts	(56,118,692)	(42,100,000)	(56,118,692)	(42,100,000)
Accrued income – net	32,607,460	31,859,318	39,671,600	28,630,094
Other receivables				
Other receivables – related parties (Note 6)	1,066,559	-	2,471,792	1,363,449

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Other receivables – other parties	6,483	12,766,001	-	5,726,937
Prepaid expenses	1,181,965	5,199,263	942,588	4,820,028
Advance payment	163,540	1,987,008	9,420	100,000
Accrued Interest income	276,602	-	276,603	-
Refundable deposits	5,867,639	-	4,867,639	-
Withholding tax - net	9,258,594	7,915,317	8,650,113	7,561,098
Value added tax receivable	9,658,382	8,285,707	9,658,382	1,538,862
Contractual guarantee receivable	4,292,927	-	4,292,927	-
Total other receivables	31,772,691	36,153,296	31,169,464	21,110,374
Total trade and other receivables - net	179,514,962	148,199,417	158,617,511	86,580,769
Trade accounts receivable				
Notes receivable	6,286,991	-	742,991	-
Within credit term	26,565,021	32,753,670	20,545,862	20,454,035
Separate from aging follows:				
- Not over 3 months	75,155,913	24,591,833	64,983,645	1,380,300
- Over 3 months but not over 6 months	2,975,627	16,212,258	1,390,957	15,005,966
- Over 6 months but not over 9 months	112,992	363,800	112,992	-
- Over 9 months but not over 12 months	-	1,840,400	-	-
- Over 12 months	15,662,920	19,428,035	4,044,600	4,044,600
Total	126,759,464	95,189,996	91,821,047	40,884,901
<u>Less</u> Allowance for doubtful debts*	(11,624,653)	(15,003,193)	(4,044,600)	(4,044,600)
Trade accounts receivable - net	115,134,811	80,186,803	87,776,447	36,840,301
Accrued income – other parties				
Recognised as income within 1 year	32,607,460	31,859,318	39,671,600	28,630,094
Recognised as income over 1 year	56,118,692	42,100,000	56,118,691	42,100,000
Total	88,726,152	73,959,318	95,790,292	70,730,094
<u>Less</u> Allowance for doubtful debts**	(56,118,692)	(42,100,000)	(56,118,692)	(42,100,000)
Accrued income – net	32,607,460	31,859,318	39,671,600	28,630,094

* As at 31 December 2013 and 2012 and, in the consolidated financial statements, a subsidiary company's trade account receivable of Baht 8.62 million and Baht 14.22 million, respectively is the trade account receivable incurred from the trolley advertising area rental service under the agreement dated 6 April 2010. However, the debtor has defaulted and

the subsidiary company prosecuted litigation against the said debtor on the charge of nonperformance of contractual obligations on payment to the subsidiary company. The court allowed the subsidiary company to withdraw its civil lawsuit because the subsidiary company and its trade account receivable have entered into the debt negotiation and debt acknowledgement agreements dated 20 December 2011. The debtor has acknowledged the said amount of debt and requested for debt moratorium by making payment in 16 post-dated cheques for the period from 20 December 2011 to 31 March 2013, plus interest rate at 3% per annum, calculated on the principal from each default date. However, the subsidiary could not present cheques to a bank for the period from March 2012 onward as the debtor has a financial problem and requested for amendment of terms of payments. On 12 June 2012 and 26 September 2012 this subsidiary company prosecuted on criminal charge against the said debtor in respect of misconduct under the Cheque Act. On 22 November 2012 the subsidiary company and its trade account receivable have entered into the debt negotiation and debt acknowledgement agreements. The debtor has acknowledged the said amount of debt and interest of Baht 16,872,696.40 and requested for debt moratorium by making in cash for the first payment of Baht 2.50 million and the remaining amount settle by making payment in 30 post-dated cheques for the period from 19 November 2012 to 20 June 2015. However the subsidiary set up provision for doubtful debts of Baht 10.96 million and the interest was not recognised in the consolidated financial statements as at 31 December 2012 since there was uncertainty as to collect the debt. On 31 December 2013, the Subsidiary Company received payment from such debtor in the amount of Baht 5.24 million and reversed provision for doubtful debts in the consolidated statements of income for the year ended 31 December 2013 in the amount of Baht 3.38 million.

On 13 September 2007, the Company prosecuted debtor of the Company in allegations of default of payment in the amount of Baht 4.04 million with interest rate at 7.50% per annum from the filing date to completion of settlement. On 26 November 2007, the debtor made a counter-claim against the Company of Baht 9.16 million with interest rate at 7.50% per annum from the date of counter-claim to completion of settlement. On 24 December 2008, the Civil Court gave a verdict to the debtor to pay of Baht 4.04 million plus interest to the Company. On 19 October 2009, the defendant made an appeal to the court. On 18 June 2013, the Appeal Court determined a verdict in line with the first instance court's verdict. Currently, the case is under the process of property execution. The Company has not contemplated in reversing the amount of allowance for doubtful debt and has not recorded accrued interest income in the financial statements.

** As at 31 December 2013 and 2012, the majority of accrued revenues of Baht 42.10 million being the same amount in both year, the Company was given the assignment from the Government Public Relations Department to handle the publication of print media of picture collection book "Commemorate the 60th Anniversary of His Majesty the King's Accession to the Throne", including DVD box which the Company had submitted the proposal to the Government Public Relations Department and proceeded with the assignments until completed. The Government Public Relations Department took delivery of the products and distributed to the general public who placed their orders. With the intention to complete all the assignments in time, the Company agreed to do the work prior to receiving a written contract from the Government Public Relations Department and subsequently, the Company had followed up on such contract. Nevertheless, there was a significant political change in September, 2006 causing a complete change to the government administration. Such incident affected the Company by delaying the signing of the contract further and; therefore, causing limitation in providing credible measurement of the evidence for recognition of income according to the accounting standard. During year 2007, the Company set up the allowance for doubtful debt for the whole amount of the said accrued income in accordance with the minutes of the board of directors' meeting No. 3/2007 held on 9 August 2007. The Company had been proceeding to follow up on the matter continuously and had already sent all evidences to various related sectors. However, the Company has not received payment for the said amount. Therefore, the Company has already proceeded to sue the Government Public Relations Department with other as mentioned according to the Black Case (not yet adjudicated) No. 5312/2550 on 9 November 2007 for the amount of Baht 42.10 million with the incurring interest rate at 7.50% per annum of the said principal from the filing date onward until completely repaid. The court has already accepted the case. The outcome of the case as judgment verdict on 30 September 2009, the Civil Court ordered Government Public Relations Department to pay Baht 23.66 million together with interest at 7.50% per annum on the said amount commencing for the date after the filing date onwards until completion the full payment date to the Company. The Court also ordered the Government Public Relations Department to pay legal fees on behalf of the Company, especially those for appearance at the Court, the amount to be paid on behalf of the Company must be pursuant to filing amount that the Company has won the case with the lawyer's fee fixed at Baht 0.03 million. The case against four defendants was ordered by the Court to be dismissed. According to justice procedure, the two parties (the Company and Government Public Relations Department) have rights to make appeal the verdict of the first instance court within one

month after the verdict date. On 26 December 2009, the Government Public Relations Department made an appeal to the verdict of the first instance court. On 9 October 2013, the Appeal Court determined a verdict by revoking the first instance court's verdict.

On 9 January 2014, the Company filed a petition with the Supreme Court and the Supreme Court has granted a petition successfully. Since the case has not been finalised, the Company has not contemplated in reversing of allowance for doubtful debt in the amount of Baht 23.66 million and no recording of interest receivable in the financial statements. To date of this report, the ultimate outcome of this case cannot presently be determined.

In addition, certain accrued income of Baht 14.00 million with respect to the assignment namely "The Street Soccer Against Drug Abuse" project under the direction of Ministry of Finance to production advertising media in radio channel, television, outdoor media and website media and public advertising media as discussion and including, to manage opening and closing ceremony. The Company had submitted the proposal to Ministry of Finance and proceeded with the assignments until the project was completed. Currently, the Company has still not received any settlement for those accrued income and the Company plans to proceed with the litigation against the related parties in the short period. However, the Company set up allowance for doubtful debt in full of Baht 14.00 million in the consolidated and the company financial statements for the year ended 31 December 2013.

10. ASSETS HELD FOR SALE

	Consolidated	
	2013	2012
Bill board held for sale	-	7,879,770

In accordance with the memorandum on understanding dated 25 August 2012, a subsidiary and lessor, agreed to terminate the leasehold agreement for billboard advertisements effective on 31 January 2013. The lessor agrees to reimburse for costs of construction of billboards to the subsidiary of Baht 7,879,770.

11. OTHER CURRENT ASSETS

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Bill board awaiting for installation	8,439,123	-	-	-
Undue input unit	2,591,631	2,315,586	1,192,750	862,194
	11,030,754	2,315,586	1,192,750	862,194

12. DEPOSITS AT FINANCIAL INSTITUTION USED AS COLLATERAL

Deposits at financial institution used as collateral represents the fixed deposit with a bank which has been pledged as security for bank overdraft and bank guarantee facilities as discussed in Note 28.1.

13. INVESTMENTS IN SUBSIDIARY COMPANIES

(Unit : Baht)

		The Company					
		Paid-up Share Capital		Percentage of Shareholding		Cost Method	
Company's Name	Type of Business	2013	2012	2013	2012	2013	2012
Work By Heart Co., Ltd.	Providing advice, suggestion and planning for every kind of public relation advertisement proceeding	5,000,000	5,000,000	100	100	5,000,000	5,000,000
TSF Management Co., Ltd.	Managing and providing advice for business operation including representation service for business operation	55,000,000	5,000,000	100	100	99,997,000	49,997,000
KOA-SHA Media (Thailand) Co., Ltd.	Operating in every kind of public relation advertisement proceeding	-	50,000,000	-	51	-	25,500,000
Total						104,997,000	80,497,000

At the board of director's meeting No.15/2012 dated 12 December 2012, it was an unanimously resolved to realise ordinary shares of KOA-SHA Media (Thailand) Co., Ltd. totaling of 255,000 shares to KOA-SHA International Co., Ltd. totaling Baht 55 million in accordance with terms and conditions outlined in Sales and Purchase of Shares Agreement dated 18 January 2013. The Company realised such investment in subsidiary company on 31 January 2013 and recognized gain on realisation of such investment in the consolidated and the company financial statements for the three-month and nine-month period ended 30 September 2013 in the amounts of Baht 45.72 million and Baht 29.50 million respectively.

Net book value of assets and liabilities of KOA-SHA Media (Thailand) Co., Ltd. as at the date of realisation of investment were as follows:

(Unit : Thousand Baht)

	Book value
Cash and cash equivalent items	17,748
Trade and other accounts receivable-net	12,662
Other current assets	7
Building improvement and equipment-net	4,911
Leasehold right-net	128,761
Intangible assets-net	72
Other non-current assets	1,446
Trade and other accounts payable	(12,276)
Short-term loan from related parties	(129,966)
Contractual guarantee	(5,020)
Other current liabilities	(150)
Non-controlling interests of subsidiary company	(8,915)
Total identifiable assets-net	9,280
Cash received from sales of investment	55,000
Gain from realisation of investment	45,720

In the first quarter, the Company received a settlement for the loan from the subsidiary company before proceeding with realisation of investment of Baht 65 million.

At the Board of Directors' meeting no.9/2556 held on 26 June 2013, it was unanimously resolved to subscribe the newly issued shares of TSF management Co., Ltd. of 500,000 shares equivalent to Baht 50 million. The Company paid for the subscription of newly issued shares on 26 July 2013.

In accordance with the sale and purchase agreement of shares dated 23 March 2011, the Company (the “Purchaser”) agreed to purchase shares of TSF Management Co., Ltd. at 49,997 shares at the price of Baht 1,000 per share totaling Baht 50.00 million from Media Target Co., Ltd. (the “Seller”) provided that the Seller guaranteed minimum profit before tax of TSF Management Co., Ltd. at Baht 10.00 million under the normal political circumstances during the year 2011-2013. In the event that profit before tax of any year is lower than Baht 10.00 million, the Seller agreed to compensate the discrepancy to the Company within 7 days from the date of general shareholders’ meeting of TSF Management Co., Ltd. as to approval of the financial statements.

At the board of director’s meeting No.1/2013 dated 17 January 2013, it was unanimously resolved to waive for billing of minimum profit guarantee for the year 2012 and extend the guarantee period for minimum profit to the year 2014.

14. INVESTMENTS IN JOINT VENTURE

(Unit : Baht)

Joint venture Name	Type of Business	Country of Incorporation	Consolidated					
			Paid-up Share Capital		Percentage of Shareholding		Equity method	
			2013	2012	2013	2012	2013	2012
Three Sixty Five Fresh Air Joint Venture	Advertisement on television	Thailand	2,000,000	6,000,000	50%	50%	-	2,896,633
							-	2,896,633

At the Board of Directors’ meeting No. 15/2012 held on 12 December 2012, it was unanimously resolved to invest in joint venture through a subsidiary company and Fresh Air Festival Co., Limited, to produce of television programs. The Company invested in the joint venture on 21 November 2012.

For the year ended 31 December 2013 and 2012, the Group recognized share of (loss) gain from joint venture of Baht 169,926 and Baht (103,366) respectively.

The joint venture stopped its operating since 1 July 2013 after the television programs operating agreement was expired on 30 June 2013. At the Board of Directors’ meeting No. 1/2013 held on 5 November 2013, it was unanimously resolved to terminate the joint venture’s business on 30 November 2013. The Joint Venture is currently under the liquidation process.

15. BUILDING IMPROVEMENT AND EQUIPMENT-NET

(Unit : Baht)

	Consolidated					
	Leasehold improvement	Equipment and tools	Furniture and office equipment	Vehicles	Works in progress	Total
As at 31 December 2012						
Cost	-	151,184	1,490,006	3,593,000	4,749,848	9,984,038
Less Accumulated depreciation	-	(75,358)	(582,602)	(449,053)	-	(1,107,013)
Net book value	-	75,826	907,404	3,143,947	4,749,848	8,877,025
For the year ended 31 December 2013						
Opening net book value	-	75,826	907,404	3,143,947	4,749,848	8,877,025
Purchase	8,503,380	48,838	2,612,443	-	-	11,164,661
Disposal, net	-	-	-	(2,969,562)	-	(2,969,562)
Transfer out	-	-	-	-	(4,749,848)	(4,749,848)
Depreciation	(1,182,512)	(35,537)	(655,672)	(174,385)	-	(2,048,106)
Closing net book value	7,320,868	89,127	2,864,175	-	-	10,274,170
As at 31 December 2013						
Cost	8,503,380	200,022	4,102,449	-	-	12,805,851
Less Accumulated depreciation	(1,182,512)	(110,895)	(1,238,274)	-	-	(2,531,681)
Net book value	7,320,868	89,127	2,864,175	-	-	10,274,170

For the company financial statements as at 31 December 2012, its book value of vehicles and office equipment of Baht 3.16 million, respectively which are assets under finance lease contracts in note 20 to financial statements.

(Unit : Baht)

	Consolidated					
	Leasehold improvement	Equipment and tools	Furniture and office equipment	Vehicles	Works in progress	Total
As at 31 December 2012						
Cost	-	562,963	1,955,387	10,623,467	9,299,848	22,441,665
Less Accumulated depreciation	-	(126,308)	(729,185)	(2,089,790)	-	(2,945,283)
Net book value	-	436,655	1,226,202	8,533,677	9,299,848	19,496,382
For the year ended 31 December 2013						
Opening net book value	-	436,655	1,226,202	8,533,677	9,299,848	19,496,382
Purchase	10,928,138	48,837	3,150,943	-	-	14,127,918
Disposal, net	-	-	-	(5,996,340)	-	(5,996,340)
Decreased from realisation of investment*	-	(360,829)	-	-	(4,550,000)	(4,910,829)
Transfer out	-	-	-	-	(4,749,848)	(4,749,848)
Depreciation	(1,527,104)	(35,536)	(835,502)	(475,907)	-	(2,874,049)
Closing net book value	9,401,034	89,127	3,541,643	2,061,430	-	15,093,234
As at 31 December 2013						
Cost	10,928,138	200,022	5,106,330	2,850,467	-	19,084,957
Less Accumulated depreciation	(1,527,104)	(110,895)	(1,564,687)	(789,037)	-	(3,991,723)
Net book value	9,401,034	89,127	3,541,643	2,061,430	-	15,093,234

For the consolidated financial statements as at 31 December 2013 and 2012, its book value of vehicles and office equipment of Baht 2.06 million and Baht 8.55 million, respectively which are assets under finance lease contracts in note 20 to financial statements.

* Decrease from realisation of investment in a subsidiary as outlined in note 13 to financial statements.

16. INTANGIBLE ASSETS – COMPUTER SOFTWARE NET

(Unit : Baht)

	Consolidated	The Company
As at 31 December 2012		
Cost	26,943,232	26,752,592
<u>Less</u> Accumulated depreciation	(1,419,795)	(1,370,363)
Net book value	25,523,437	25,382,229
For the year ended 31 December 2013		
Opening net book value	25,523,437	25,382,229
Purchase	573,930	549,000
Decreased from disposal of investments*	(72,157)	-
Amortization for the period	(2,769,542)	(2,746,641)
Closing net book value	23,255,668	23,184,588
As at 31 December 2013		
Cost	27,429,663	27,301,592
<u>Less</u> Accumulated depreciation	(4,173,995)	(4,117,004)
Net book value	23,255,668	23,184,588

* Decrease from realisation of investment in a subsidiary as outlined in note 13 to financial statements.

17. LEASEHOLD RIGHTS-NET

(Unit : Baht)

	Consolidated	The Company
As at 31 December 2012		
Cost	247,730,977	77,175,890
<u>Less</u> Accumulated depreciation	(76,755,527)	(40,239,273)
Allowance for impairment of asset	(2,985,569)	-
Net book value	167,989,881	36,936,617
For the year ended 31 December 2013		
Opening net book value	167,989,881	36,936,617
Additional purchases	228,895,755	189,110,909
Transfer in	4,749,848	4,749,848
Decreased from realisation of investment*	(128,760,840)	-
Amortization for the year	(57,391,555)	(48,664,784)
Closing net book value	215,483,089	182,132,590

(Unit : Baht)

	Consolidated	The Company
As at 31 December 2013		
Cost	332,536,413	271,036,647
<u>Less</u> Accumulated depreciation	(117,053,324)	(88,904,057)
Net book value	215,483,089	182,132,590

* Decrease from realisation of investment in a subsidiary as outlined in note 13 to financial statements.

The Group has been engaged with the leasehold rights as detailed below:

(Unit : Thousand Baht)

No	Company	Description of Leasehold rights	Period		Book value	
			Date from	Date to	2013	2012
1	Parent	Leasehold right, the expressway	1 December 2010	30 November 2013	-	19,453
2	Parent	Leasehold right for city bus terminal	1 December 2012	30 November 2021	122,658	17,483
3	Parent	Leasehold right for management of advertising space on billboard and drinking water platform in Chiang Mai	1 June 2013	30 June 2020	59,475	-
4	Subsidiary	Leasehold right for "Suvarnabhumi Airport Rail Link and Bangkok City Air Terminal Project"***	3 October 2011	3 October 2021	-	66,192
5	Subsidiary	Leasehold rights for the Suvarnabhumi Airport	1 October 2008 1 February 2013	31 January 2013 31 January 2016	- 480	450* -
6	Subsidiary	Leasehold right for management the advertising space on the passenger trolleys at the Suvarnabhumi Airport	1 July 2008	16 July 2013	-	403
7	Subsidiary	Cost of leasehold right and renovation expenses of billboard in Pattaya	12 January 2012	28 April 2017	3,945	1,440
8	Subsidiary	Leasehold right as to "Suvarnabhumi Airport Rail Link and Bangkok City Air Terminal Project"***	7 August 2012	6 February 2023	-	62,569
9	Subsidiary	Leasehold right for outside and inside advertising on jet bridge at 6 provincial airports, in holding 8 jet bridges	1 Jun 2013	31 May 2016	8,958	-
10	Subsidiary	Leasehold right for management of advertising billboard at pedestrian route in Phitsanulok, Khon Kaen and Chonburi	****	****	12,295	-
11	Subsidiary	Cost of leasehold right and renovation expenses of billboard in Ubonratchatane	21 February 2014	20 February 2017	7,672	-
					215,483	167,990

* Allowance for impairment – Net

** Decrease from realisation of investment in a subsidiary as outlined in note 13 to financial statements.

*** The effective date of right will commence on the date of completion of billboard installation

In the third quarter, the Company received letter no. KT 1605/1273 dated on 19 August 2013 from the Traffic and Transportation Department, Bangkok Metropolitan Administration with respect to temporary discontinue of installation of all advertising billboards until a further notice has been provided to the Company.

On 30 August 2013, the Company submitted a letter to the Bangkok Metropolitan Administration (BMA) to proceed with the following matters:

- 1) The Company requested for cancellation of the monthly and yearly leasehold right fees payable to the BMA with respect to the advertising billboards which were not allowed to be installed in accordance with the letter of the BMA since 22 August 2013.
- 2) The Company requested to discontinue its construction, renovation and repair and maintenance for the bus stations since 22 August 2013.
- 3) The Company requested to provide a maintenance service exclusively for the performing bus stations to the Company totaling 1,185 unit as at 22 August 2013.
- 4) The Company requested for compensations resulted from the BMA's announcement to discontinue an installation of all advertising billboards and all construction and renovation costs for the bus stations as well as opportunity costs to continue its business as a going concern totaling Baht 326.77 million. Currently, these matters were under consideration of the BMA, and no outcome has been concluded.

As such, the Company has not settled for the monthly leasehold right fees (partial) for the period from September to December 2013 totaling of Baht 22.81 million and the second year leasehold right fee of Baht 6.30 million. The BMA submitted a letter to the Company in respect of penalty for late payment calculated at the rate of 0.1% per day from the due date until completion of payment payable on a daily basis of Baht 10,832 for the monthly leasehold right fees and Baht 11,838 for the yearly leasehold right fees. The Company recorded penalties for leasehold right payables in the consolidated and the company financial statements for the year ended 31 December 2013 in the amount of Baht 3.72 million. Currently, the Company is under negotiation with the BMA on the aforementioned matters.

18. OTHER NON-CURRENT ASSETS

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Guarantee - net	15,361,152	9,501,152	4,546,400	4,546,400
Retention	-	1,194,840	-	1,194,840
Deposit	2,478,065	527,065	2,432,465	481,465
Lease contractual guarantee	1,125,131	-	963,131	-
Other non-current assets	18,964,348	11,223,057	7,941,996	6,222,705

19. TRADE AND OTHER PAYABLES

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Trade accounts payable				
Trade accounts payable-related parties (Note 6)	-	-	1,256,180	-
Trade accounts payable-other parties	23,061,134	22,892,606	15,004,357	6,021,709
Total trade accounts payable	23,061,134	22,892,606	16,260,537	6,021,709
Accrued cost				
Accrued cost-related parties (Note 6)	-	-	27,178	27,178
Accrued cost-other parties	50,121,436	16,434,477	47,411,153	2,564,938
Total accrued cost	50,121,436	16,434,477	47,438,331	2,592,116
Other payables				
Other payables-related parties (Note 6)	-	794,600	275,009	6,726,525
Other payables-other parties	5,198,566	2,376,007	5,072,241	1,903,939
Penalty for leasehold right payable (Note 17)	3,719,280	-	3,719,280	-
Income receive in advanced-other parties	11,886,810	1,334,827	128,477	671,516
Accrued commission expenses	3,287,508	3,793,401	1,187,027	2,211,893
Accrued expense	4,238,057	5,224,551	2,717,670	3,229,608
Total other payables	28,330,221	13,523,386	13,099,704	14,743,481
Total trade and other payables	101,512,791	52,850,469	76,798,572	23,357,306

20. FINANCE LEASE PAYABLE – NET

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Liabilities under finance lease payables	1,026,612	7,602,601	-	4,808,014
<u>Less</u> Deferred interest expense	(61,095)	(338,092)	-	(176,102)
Liabilities under finance lease payables	965,517	7,264,509	-	4,631,912
<u>Less</u> Current portion of finance lease payables	(449,109)	(2,526,212)	-	(1,588,981)
Finance lease payable – net	516,408	4,738,297	-	3,042,931

The details of financial lease payables were as follow:

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Within one year	449,109	2,526,212	-	1,588,981
More than one year but not more than five years	516,408	4,738,297	-	3,042,931
	965,517	7,264,509	-	4,631,912

21. LONG-TERM LOANS FROM FINANCIAL INSTITUTION - NET

(Unit : Baht)

	Consolidated and The Company	
	2013	2012
Long-term loans from financial institutions	-	26,878,625
<u>Less</u> Current portion of long-term loans from institution	-	(22,680,000)
Net	-	4,198,625

Movements of long term loans from financial institutions for the year ended 31 December 2013 were as follows:

(Unit : Baht)

	Consolidated and The Company
Balance as at 31 December 2012	26,878,625
Increase	93,121,375
Decrease	(120,000,000)
Balance as at 31 December 2013	-

Details of long term loans from financial institutions transaction as at 31 December 2013 and 2012 were as follows:

(Unit : Baht)

	Loan (Baht)	2013 (Baht)	2012 (Baht)	Interest Rate	Terms of payments
1	120,000,000	-	26,878,625	MLR per annum	Installment payment of principal and interest after 6-month period from the first drawdown date (14 December 2012) of Baht 3,240,000 per month until full settlements. As at 31 December 2013, the Company settled all outstanding loan.

Collateral

- Personal guarantee by Mr. Aran Apichari and Ms. Wimonwan Milindhachinda, however, the personal guarantee has been cancelled since 30 September 2013.

22. PROVISION FOR EMPLOYEE BENEFITS

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Opening balance	868,069	587,062	187,418	96,927
Retirement benefit expenses	300,154	248,845	107,570	83,387
Interest cost	31,477	32,162	-	7,104
Closing balance	1,199,700	868,069	294,988	187,418

The long-term employee benefits were recognised in statements of comprehensive income as detailed below:

(Unit : Baht)

	For the years ended 31 December			
	Consolidated		The Company	
	2013	2012	2013	2012
Retirement benefit expenses	300,154	248,845	107,570	83,387
Interest cost	31,477	32,162	-	7,104
Net expenses recognised in statements of comprehensive income	331,631	281,007	107,570	90,491

The following table is a summary of the assumptions relating to the actuarial technique as at the statement of financial position date:

	Consolidated	The Company
Discount rate	3.82 - 3.94%	3.94%
Salary increase rate	5%	5%
Turnover rate	5%	5%

23. SHARE CAPITAL

Consisted of

	Par Value	Number of shares	Value
	(Baht)	(Thousand Shares)	(Thousand Baht)
Authorized share capital			
Ordinary shares as at 1 January 2012	0.10	1,275,926	127,593
Capital increase (Note 23.3 and 23.4)	0.10	619,045	61,904
Ordinary shares as at 31 December 2012	0.10	1,894,971	189,497
Capital increase (Note 23.1)	0.10	930,202	93,020
Capital decrease (Note 23.1)	0.10	(13,740)	(1,374)
Ordinary shares as at 31 December 2013	0.10	2,811,433	281,143
Issued and paid-up share capital			
Ordinary shares as at 1 January 2012	0.10	1,257,433	125,743
Warrant exercised (Note 23.5, 23.10 and 23.12)	0.10	19,920	1,992
Convertible debentures exercised (Note 23.6-23.9 and 23.11)	0.10	89,051	8,905
Ordinary shares as at 31 December 2012	0.10	1,366,404	136,640
Warrant exercised (Note 24)	0.10	343,720	34,372
Issued share capital (Note 23.2)	0.10	700,203	70,020
Ordinary shares as at 31 December 2013	0.10	2,410,327	241,032

23.1 At the ordinary shareholders' meeting no. 1/2013 held on 25 April 2013 it was unanimously resolved as follows:

Authorisation of the decrease the Company's registered share capital from Baht 189,497,044 to Baht 188,123,068 (ordinary shares of 1,881,230,681 shares with a par value of Baht 0.10 per share) by cancellation of the outstanding registered ordinary shares of 13,739,756 shares at the par value of Baht 0.10 per share, totaling Baht 1,373,976. The Company registered its decrease of the registered share capital with the Department of Business Development, the Ministry of Commerce on 7 May 2013.

Authorisation of the increase the Company's registered share capital from Baht 188,123,068 (ordinary shares of 1,881,230,681 shares with a par value of Baht 0.10 per share) to Baht 281,143,336 (ordinary shares of 2,811,433,357 shares with a par value of Baht 0.10 per share) by issuing of newly issued ordinary shares of 930,202,676 shares at the par value of Baht 0.10 per share, totaling Baht 93,020,268. The Company registered its increase of the registered share capital with the Department of Business Development, the Ministry of Commerce on 8 May 2013.

23.2 At the ordinary shareholders' meeting no. 1/2013 held on 25 April 2013 and the Company's directors meeting no. 7/2555 held on 14 May 2013, it was unanimously resolved to the allotment of 700,202,676 newly issued ordinary shares to the existing shareholders in the proportion of 2 ordinary shares per 1 newly issued share at the price of Baht 0.75. The Company fully received the share subscription of Baht 524,984,219 and the Company recorded the issued and paid – up share capital of Baht 70,020,268 and premiums on share capital of Baht 454,963,951. The Company registered the increased paid - up share capital from 1,665,572,171 shares to 2,365,774,847 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 14 June 2013.

Details of change in share capital in 2012 were as follow;

23.3 At the extra-ordinary shareholders' meeting no. 1/2012 held on 24 February 2012, it was unanimously resolved as follows:

Authorisation of the increase the Company's registered share capital from Baht 127,592,566 (ordinary shares of 1,275,925,660 shares with a par value of Baht 0.10 per share) to Baht 188,233,130.50 (ordinary shares of 1,882,331,305 shares with a par value of Baht 0.10 per share) by issuing of newly issued ordinary shares of 606,405,645 shares at the par value of Baht 0.10 per share, aggregating to Baht 60,640,564.50. The Company registered its increase of the registered share capital with the Department of Business Development, the Ministry of Commerce on 5 March 2012.

The allotment of not exceeding 606,405,645 newly issued ordinary shares at the par value of Baht 0.10, aggregated to Baht 60.64 million with the objectives to reserve for the exercise of right of convertible debentures, the exercise of right of the second warrants to purchase the ordinary share of the Company (TSF-W2) issued to the existing shareholders and for the adjustment of rights to the holders of the first warrants to purchase ordinary shares of the Company (TSF-W1) of which the rights have not been exercised.

23.4 At the ordinary shareholders' meeting no. 1/2012 held on 27 April 2012, it was unanimously resolved to increase the Company's registered share capital from Baht 188,233,130.50 (ordinary shares of 1,882,331,305 shares with a par value of Baht 0.10 per share) to Baht 189,497,043.70 (ordinary shares of 1,894,970,437 shares with a par value of Baht 0.10 per share) by issuing ordinary shares of 12,639,132 shares with a par value of Baht 0.10 per share, totaling Baht 1,263,913.20 for the exercising of the second warrants to purchase of ordinary share of the Company (TSF-W2). The Company registered its increase of the registered share capital with the Department of Business Development, the Ministry of Commerce on 3 May 2012.

23.5 At the extra-ordinary shareholders' meeting no.1/2009 held on 3 October 2009, it was unanimously resolved to set the exercised date of warrants (TSF-W1) at the last working day of February, May, August and November. On 29 February 2012, the warrants were exercised to purchase of ordinary shares of 8,454,146 shares at Baht 0.12 per share. The Company fully received the share subscription of Baht 1,014,497.52 and the Company registered the increased paid - up share capital from 1,257,432,798 shares to 1,265,886,944 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 5 March 2012.

23.6 On 15 March 2012 the Debentureholder exercised its conversion right no. 1 to convert 20 debentures (issued on 15 March 2012) equivalent to convertible debentures of Baht 12 million by using floating conversion price at Baht 0.5185 for new ordinary shares of 23,143,683 shares as mentioned in the note 18 to financial statements. The

Company registered the increased paid - up share capital from 1,265,886,944 shares to 1,289,030,627 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 20 March 2012.

23.7 On 3 April 2012 the Debentureholder exercised its conversion right no. 2 to convert the debentures of 10 debentures (issued on 15 March 2012) equivalent to Baht 6 million into ordinary shares by using floating conversion price at Baht 0.3791 for 15,826,958 ordinary shares as mentioned in the note 18 to financial statements. The Company registered the increased paid - up share capital from 1,289,030,627 shares to 1,304,857,585 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 5 April 2012.

23.8 On 12 April 2012 the Debentureholder exercised its conversion right no. 3 to convert the debentures of 19 debentures (issued on 30 March 2012) equivalent to Baht 11.40 million into ordinary shares by using floating conversion price at Baht 0.3604 for 31,631,520 ordinary shares as mentioned in the note 18 to financial statements. The Company registered the increased paid - up share capital from 1,304,857,585 shares to 1,336,489,105 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 19 April 2012.

23.9 On 24 April 2012 the Debentureholder exercised its conversion right no. 4 to convert the debentures of 10 debentures (1 convertible debentures issued on 30 March 2012 and 9 convertible debentures issued on 24 April 2012) equivalent to Baht 6 million into ordinary shares by using floating conversion price at Baht 0.3604 for 16,648,168 ordinary shares as mentioned in the note 18 to financial statements. The Company registered the increased paid-up share capital from 1,336,489,105 shares to 1,353,137,273 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 3 May 2012.

23.10 At the extra-ordinary shareholders, meeting no.1/2009 held on 3 October 2009, it was unanimously resolved to set the exercised date of warrants (TSF-W1) at the last working day of February, May, August and November. On 30 May 2012, the warrants were exercised to purchase of ordinary shares of 2,478,540 shares at Baht 0.101 per share. The Company fully received the share subscription of Baht 250,332.54 and the Company registered the increased paid - up share capital from 1,353,137,273 shares to 1,355,615,813 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 1 June 2012.

23.11 On 27 April 2012 the Debentureholder exercised its conversion right no. 5 to convert the debentures of 1 debenture (issued on 24 April 2012) equivalent to Baht 0.6 million into ordinary shares by using floating conversion price at Baht 0.3332 for 1,800,720 ordinary shares as mentioned in the note 18 to financial statements. The Company registered the increased paid-up share capital from 1,355,615,813 shares to 1,357,416,533 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 29 June 2012.

23.12 At the extra-ordinary shareholders, meeting no.1/2009 held on 3 October 2009, it was unanimously resolved to set the exercised date of warrants (TSF-W1) at the last working day of February, May, August and November. On 16 November 2012, the warrants were exercised to purchase of ordinary shares of 8,987,695 shares at Baht 0.101 per share. The Company fully received the share subscription of Baht 907,757.19 and the Company registered the increased paid - up share capital from 1,357,416,533 shares to 1,366,404,228 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 22 November 2012.

24. WARRANTS

At the extra-ordinary shareholders' meeting no. 1/2012 held on 24 February 2012 and the ordinary shareholders' meeting no. 1/2012 held on 27 April 2012, it was unanimously resolved to issue the warrants to purchase the Company's ordinary shares No.2 (TSF-W2) of 514,826,453 units to the existing shareholders without value at the ratio of 2 ordinary shares to 1 warrant. The details of warrants were as detailed below:

Exercised ratio : 1 Unit of warrant to 1 new ordinary share.

Exercised price per share : Baht 0.30 per share.

Exercised period : The exercise dates are the last working day of every February, May, August and November. The first date to exercise their right is on 31 August 2012 and the last date is on 14 May 2015.

Period of warrants : 3 years from the issuance date of the warrants (15 May 2012-14 May 2015).

Since the Company increased its share capital by allotting to the existing shareholders with the offering price lower than 90% of market price. The Company has to adjust the exercise ratio and price the warrant holders (TSF-W2) in accordance with the terms and conditions governing rights and obligations of the warrant issuer. The revised offering price is Baht 0.227 per share and the revised exercise ratio is 1 warrant to 1.31986 ordinary share, which the revised exercise ratio and the revised offering price are effective from 29 April 2013 onward.

For the year ended 31 December 2013, there were warrants exercised as detailed below:

- 1) On 28 February 2013, the warrants (TSF-W2) were exercised to purchase of ordinary shares of 34,001,124 shares at Baht 0.30 per share. The Company fully received the share subscription of Baht 10,200,337 and the Company recorded the issued and paid-up shares capital of Baht 3,400,112 and premiums on share capital of Baht 6,800,225. The Company registered the increased paid - up share capital from 1,366,404,228 shares to 1,400,405,352 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 7 March 2013.
- 2) On 31 May 2013, the warrants (TSF-W2) were exercised to purchase of ordinary shares of 265,166,819 shares at Baht 0.227 per share. The Company fully received the share subscription of Baht 60,192,868 and the Company recorded the issued and paid-up shares capital of Baht 26,516,682 and premiums on share capital of Baht 33,676,186. The Company registered the increased paid - up share capital from 1,400,405,352 shares to 1,665,572,171 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 11 June 2013.
- 3) On 31 August 2013, the warrants (TSF-W2) were exercised to purchase of ordinary shares of 18,145,348 shares at Baht 0.227 per share. The Company fully received the share subscription of Baht 4,118,994 and the Company recorded the issued and paid-up shares capital of Baht 1,814,535 and premiums on share capital of Baht 2,304,459. The Company registered the increased paid - up share capital from 2,365,774,847 shares to 2,383,920,195 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 11 September 2013.

- 4) On 30 November 2013 the warrants (TSF-W2) were exercised to purchase of ordinary shares of 26,406,700 shares at Baht 0.227 per share. The Company fully received the share subscription of Baht 5,994,321 and the Company recorded the issued and paid-up shares capital of Baht 2,640,669 and premiums on share capital of Baht 3,353,652. The Company registered the increased paid – up share capital from 2,383,920,195 shares to 2,410,326,895 shares with a par value of Baht 0.10 per share with the Ministry of Commerce on 24 December 2013

As at 31 December 2013, the remaining warrants with full conversion right to purchase ordinary shares but not yet exercised were at 246,164,900 Units.

25. EARNINGS (LOSS) PER SHARE

For the years ended 31 December 2013 and 2012, The Company calculated basic loss per share by dividing net loss for the period with weighted average number of ordinary shares as follow.

	Consolidated and The Company				
	For the year ended 31 December 2013				
	Net loss for the year		Weighted Average Number of Ordinary Shares	Loss per share	
	Consolidated	The Company		Consolidated	The Company
	Baht	Baht		Baht	Baht
Basic loss per share					
Loss for the period	(320,373,902)	(344,413,362)	1,935,110,548	(0.1656)	(0.1780)

	Consolidated and The Company				
	For the year ended 31 December 2012				
	Net loss for the year		Weighted Average Number of Ordinary Shares	Loss per share	
	Consolidated	The Company		Consolidated	The Company
	Baht	Baht		Baht	Baht
Basic loss per share					
Loss for the period	(78,811,609)	(40,451,756)	1,331,551,647	(0.0592)	(0.0304)

For the financial statement for the years ended 31 December 2013 and 2012, the Company did not calculate the diluted earnings per share since the Company incurred net loss from its operation which will result in antidilutive effect on loss per share.

26. OPERATING SEGMENT

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 Group Companies' businesses are engaged in providing advices on organizations' public relation and communication by planning, public relations and advertising work of all kinds, which belonging to one sectorial business and operate in only one segmented geography area, namely Thailand; thus, all revenues, profit (loss) and assets reflected in the financial statements are from the said business sector and geographical area.

27. COMMITMENT

As at 31 December 2013 and 2012, the Company has commitments in respect of lease of assets and purchase of assets and services as follows:

- 27.1** The Group has future payments to be made under the concession leasehold agreements to conduct operation under the leasehold right granted as mentioned in the notes to financial statements no. 17. The total minimum future payments under said agreements are as follow:

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
- Within one year	405,126,504	451,047,707	351,009,379	427,447,738
- More than one year but not more than three years	1,151,328,633	876,015,096	1,083,643,331	843,651,908
- More than three years	849,272,890	2,039,128,755	832,411,640	1,962,454,221
Total commitments	2,405,728,027	3,366,191,558	2,267,064,350	3,233,553,867

The details of future payment to be made under the aforementioned concession leasehold agreements were as follows:

(Unit : Thousand Baht)

No.	Company	Description of Leasehold rights	Ended period	Commitment	
				2013	2012
1	Parent	Rental under leasehold right, designs and constructions for the expressway advertising billboard project.	30 November 2013	-	5,974
2	Parent	Leasehold right for the maintenance city bus terminal	30 November 2021	2,265,855	3,227,580
3	Parent	Leasehold right for managing media on billboard and drinking water platform in Chiang Mai	30 June 2020	1,209	-
4	Subsidiary	Leasehold right as to the sale of the advertising space called "Suvarnabhumi Airport Rail Link and Bangkok City Air Terminal Project" *	3 October 2021	-	66,160
5	Subsidiary	Leasehold rights for the merchandise display and area rental operations inside the passenger terminals of the Suvarnabhumi Airport	31 January 2016	12,002	543
6	Subsidiary	Leasehold right for managing media on board trolley bag at the Suvarnabhumi Airport	16 July 2013	-	7,400
7	Subsidiary	Leasehold right and renovation expenses of billboard in Chonburi	28 April 2017	13,200	16,200
8	Subsidiary	Leasehold right as to the usage commercial space in "Suvarnabhumi Airport Rail Link and Bangkok City Air Terminal Project" *	6 February 2023	-	42,335
9	Subsidiary	Leasehold right for outside and inside advertising on jet bridge at 6 provincial airports, in holding 8 jet bridges	31 May 2016	51,958	-
10	Subsidiary	Leasehold right for management of advertising billboard at pedestrian route in Phitsanulok.	15 July 2015	1,582	-
11	Subsidiary	Leasehold right for management of advertising billboard at pedestrian route in Khon Kaen.	15 July 2016	17,385	-
12	Subsidiary	Leasehold right for management of advertising billboard at pedestrian route in Chon Buri.	15 July 2016	8,693	-
13	Subsidiary	Leasehold right for management of advertising billboard at pedestrian route in Ubon Ratchatrani.	15 July 2016	19,095	-
14	Subsidiary	Leasehold right for management of advertising billboard at pedestrian route in Hat Yai.	15 July 2016	14,749	-
				2,405,728	3,366,192

* Decrease from realisation of investment in a subsidiary as outlined in note 13 to financial statements.

- 27.2** The Company has future payments to be made under the leasehold agreements to renovate/construct bus stations as detailed below:

(Unit : Baht)

	No. of bus station (Unit)		Consolidated and The Company	
	2013	2012	2013	2012
Construction costs for new bus station				
Within 2013	374	430	90,804,500	123,640,000
Within 2014	430	430	145,180,000	145,180,000
Within 2015	391	391	136,530,000	136,530,000
Total commitment	1,195	1,251	372,514,500	405,350,000

In accordance with the term of reference (TOR) for construction project of advertising billboard around bus stations in Bangkok, the Company is required to complete a construction of bus stations in 2013 (first year) not less than 430 units. However, in 2013, the Company completed its construction of new bus stations of 56 units which is non-compliance with the terms and conditions outlined in the agreement. The management advised that the non-compliance issue was resulted from delay in approval of a construction plan by the Traffic and Transportation Department. The Company has submitted the 2013 plan for construction of new bus stations since 22 January 2013. The 2013 plan in respect of Bus Station (Group A) was approved by the Traffic and Transportation Department on 17 September 2013.

On 10 May 2013, the Company submitted a letter to Traffic and Transportation Department to request for an extension of the construction period for the bus station (Group A) to be due by 365 days after the construction plan was approved by BMA. Up to the date of this report, the Company has not received a replied letter from BMA with respect to the extension of construction period.

The Company has ceased its construction, repair and maintenance for bus stations under group A and C agreements since 22 August 2013 as the Company received a letter from the Traffic and Transportation Department, Bangkok Metropolitan Administration to suspend the installation of all advertising billboards until a further notice as discussed in note 17 to the financial statements.

In the event that the Company breached the terms outlined in the leasehold agreements, the Company will be fined in the amount of Baht 2,000 per bus station per day from the due date of construction of bus station until the completion of construction of bus station. However, the Company has not recorded these contingent penalties as the Company's management is of opinion that the agreement between the Company and BMA represented a reciprocal agreement. In the event that, BMA instructed the Company to temporarily discontinue for construction of billboards, the Company would not carry on the construction both billboard and bus stations as to BMA's instructions.

27.3 The Company has commitments in respect of lease of assets and purchase of assets and services as follows:

(Unit : Baht)

	Consolidated		The Company	
	2013	2012	2013	2012
Lease of building				
Within one year	3,775,590	6,924,900	3,295,590	4,551,000
More than one year but not more than three years	4,423,580	7,803,295	3,943,580	7,064,170
Total	8,199,170	14,728,195	7,239,170	11,615,170
Purchase of assets and services				
Within one year	177,943,647	15,821,723	170,484,747	10,134,994
More than one year but not more than three years	157,155,983	2,640,000	156,859,583	1,200,000
More than three years	210,417,458	-	210,388,958	-
Total	545,517,088	18,461,723	537,733,288	11,334,994

28. CONTINGENT LIABILITIES**28.1** As at 31 December 2013 and 2012, the Company and its subsidiaries have contingent liabilities in respect of the matters as follows:

(Unit : Million Baht)

	Consolidated and The Company					
	2013			2012		
	Credit line			Credit line		
	Total	Utilized	Available	Total	Utilized	Available
Letter of guarantee	31.45	14.25	17.20	49	30	19
Bank overdraft	30.50	3.5	27	9	-	9
Long term loan	-	-	-	120	27	93

The above facility lines are secured by bank fixed deposits as outlined in note 12 to the financial statements.

28.2 The Company was sued as the second defendant on 30 August 2013 with respect to leasehold right advertising billboard in Chiang Mai province. The plaintiff made a lawsuit claim against the Company and the first defendant

in the amount of Baht 49.14 million together with interest at the rate of 7.50% per annum calculated from the filing date until completion of the settlement. The Company's management has not set up allowance for loss from the litigation in the financial statements since the outcome has not been determined. Up to the date of approval of these financial statements, there is no progress on the said case.

29. FINANCIAL INSTRUMENTS

The Company and its subsidiary company do not hold or issue derivative instruments for speculative or trading purposes.

29.1 Interest rate risk

The interest rate is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows. The Company's exposure to interest rate risk relates primarily to its deposits with banks.

The majority of these financial assets and liabilities are short-term and carry floating interest rates. The Company has not used derivative financial instruments to hedge such risk.

29.2 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable. However, the Company's management does not anticipate material losses from its debt collection. The management believes that the Company's maximum exposure to credit risk is limited to the carrying amount of receivables less allowance for doubtful accounts as stated in the statement of financial position.

29.3 Fair value

Since the majority of the financial assets and liabilities are short-term and the loans carry interest at rates close to market rates, the management believes the fair value of the Company's financial assets and liabilities do not materially differ from their carrying value.

30. EXPENSES BY NATURE

(Unit : Baht)

	For the year ended 31 December			
	Consolidated		The Company	
	2013	2012	2013	2012
Employees expenses	29,568,307	23,770,397	22,155,877	6,461,685
Depreciation and amortization	57,757,740	53,544,096	55,141,409	22,114,344

(Unit : Baht)

	For the year ended 31 December			
	Consolidated		The Company	
	2013	2012	2013	2012
Office expenses	6,168,165	5,026,637	5,498,027	1,208,022
Advertising and promotion expenses	6,565,363	13,482,354	6,194,837	11,227,505
Management's remuneration	14,017,744	14,119,251	8,517,500	5,687,218
Professional fees	8,394,191	6,128,726	7,712,438	4,532,564
Written-off leasehold rights	-	6,673,200	-	6,673,200
Total	122,471,510	122,744,661	105,220,288	57,904,538

31. SUBSEQUENT EVENTS

At the extra-ordinary shareholders' meeting no.1/2014 held on 22 January 2014 it was unanimously resolved as follows:

- 1) Authorisation of the decrease of the Company's registered share capital from Baht 281,143,336 (ordinary shares of 2,811,433,357 shares with a par value of Baht 0.10 per share) to Baht 273,523,010 (ordinary shares of 2,735,230,099 shares with a par value of Baht 0.10 per share) by cancellation of the outstanding registered ordinary shares of 76,203,258 shares at the par value of Baht 0.10 per share, totaling Baht 7,620,326. The Company registered its decrease of the registered share capital with the Department of Business Development, the Ministry of Commerce on 6 February 2013.
- 2) Authorisation of the increase the Company's registered share capital from Baht 176,928,013 (ordinary shares of 1,769,280,130 shares with a par value of Baht 0.10 per share) to Baht 450,451,023 (ordinary shares of 4,504,510,229 shares with a par value of Baht 0.10 per share) by issuing of newly issued ordinary shares of 4,504,510,229 shares at the par value of Baht 0.10 per share, totaling Baht 450,451,023. The Company registered its increase of the registered share capital with the Department of Business Development, the Ministry of Commerce on 6 February 2013.
- 3) Authorisation of the issuance of warrants to purchase the Company's ordinary shares No.3 (TSF-W3) of 803,442,298 units to the existing shareholders that subscribed the increased ordinary shares in the proportion of 1 ordinary share to 1 warrant without cost. The details of warrants were as detailed below:

Exercised ratio	: 1 Unit of warrant to 1 new ordinary share.
Exercised price per share	: Baht 0.25 per share.
Exercised period	: The exercise dates are the last working day of every February, May, August and November.
Period of warrants	: 1 year 2 month from the issuance date of the warrants (15 March 2014-14 May 2015).

Since the Company issued the warrants to purchase the Company's ordinary shares No.3 (TSF-W3) to the existing shareholders with the offering price lower than 90% of market price. Accordingly, the Company is required adjust the exercise ratio and exercised price of the warrant holders (TSF-W2) in accordance with the terms and conditions governing rights and obligations of the warrant issuer. The revised exercised price is Baht 0.187 per share, effective from 24 February 2014 onward.



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