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TSF
ThreeSixtyFive

Leader in Media network
www.tsf.co.th

ข้อมูลทางการเงินโดยสรุป

FINANCIAL HIGHLIGHT

บริษัท ตรีซัคส์ไฟว์ จำกัด (มหาชน)

(หน่วย : ล้านบาท) ปี	2560 2017	2559 2016	2558 2015	Unit : THB in Million Year
สินทรัพย์				Assets
สินทรัพย์รวม	697.88	1,133.37	685.30	Total assets
ลูกหนี้การค้าและตัวเงินรับสุทธิ	224.14	187.46	142.31	Account receivables(Net)
หนี้สินและส่วนของผู้ถือหุ้น				Liabilities & Shareholders' Equity
หนี้สินรวม	596.82	511.37	270.35	Total liabilities
ส่วนของผู้ถือหุ้น	83.10	622.00	414.95	Total equity
ผลการดำเนินงาน				Income Statement
รายได้จากการดำเนินงาน	376.34	450.26	368.78	Total revenues
ค่าใช้จ่ายจากการดำเนินงาน	108.06	1,177.35	850.15	Total expenses
กำไร (ขาดทุน) สุทธิหลังภาษี	(228.86)	(729.73)	(483.20)	Net Profit (Loss) After Tax
อัตราส่วนทางการเงิน				Financial Ratios
อัตราส่วนสภาพคล่อง	0.66	1.94	1.03	Current Ratio
อัตราส่วนสภาพคล่องหมุนเร็ว	0.66	1.94	1.03	Quick Ratio
อัตราส่วนหมุนเวียนลูกหนี้การค้า	3.50	3.26	2.82	Account receivables Turnover
ระยะเวลาถ่วงเฉลี่ยการเก็บหนี้	102.94	110.00	127.00	Average Collection Period
อัตราการหมุนเวียนของสินทรัพย์	0.47	0.47	0.53	Total Assets Turnover
อัตราส่วนหนี้สินต่อส่วนของผู้ถือหุ้น	7.18	0.82	0.65	D/E Ratio
ความสามารถในการชำระดอกเบี้ย	(3,923.87)	(1,037.02)	(5,445.85)	Interest Coverage Ratio
อัตราส่วนแสดงความสามารถในการทำกำไร				Profitability Ratios
อัตรากำไร (ขาดทุน) สุทธิ (%)	(68.77)	(169.63)	(136.19)	Net Profit (Loss) Margin (%)
อัตราผลตอบแทนสินทรัพย์ (%)	(32.12)	(80.25)	(72.10)	Return on Assets (%)
อัตราผลตอบแทนผู้ถือหุ้น (%)	(121.82)	(140.75)	(101.54)	Return on Equity (%)

MESSAGE FROM THE CHAIRMAN

สารจากประธานกรรมการบริษัท

Since the past year 2017, Out of Home (OOH) advertising media in overall has increasingly played a key role in the marketing media of several brands. Because product consumers and service users spend daily life 11 hours out of home, including time spent in the public transportations and road traffic at least 2 hours. This change of customer behavior shifted marketers to OOH at a substantial rate. As a result, such media has grown by 12.78% during that period due to its advantage of reaching target groups of all genders and age ranges widely and effectively.

ThreeSixtyFive Public Company Limited or TSF is considered one of the top leading pioneers of Thailand in Out of Home advertising media business, has constantly developed new relevant media technology for product brands to utilize as a communication channel to their targets. It has been widely accepted by marketers and brand owners.

The new media management policy for year 2018 will emphasize on cost saving and profitability strategy, meaning a saving on advertisement media concession granted by the Bangkok Metropolitan Administration. Because the concession fee and maintenance cost all together are higher than the revenue, and the concessions in rural provinces have been either terminated or discontinued such as Khonkaen, Udon Thani, Ubon Ratchathani, Chiang Rai, Pattaya (Chonburi) and Hat Yai (Songkhla), and no renewals on the contracts that have been expired, as a policy of The Ministry of Interior to reduce its advertisement signboard concessions.

As TSF has Direct to Customers (DTC) signboards displaying in front of 7-Eleven stores nationwide that reach consumers effectively with lower management costs. Therefore such advertising media is being pushed forward with installations in more areas in order to serve customer's need sufficiently. The company has installed additional digital media in front of 7-Eleven stores 215 screens in Bangkok downtown areas, consisting of 21 units of 55" screens and 194 units of 42" screens. At the moment, the company has completely installed 1,795 advertising media units in front of 7-Eleven Stores nationwide in 2017. In that regard, TSF expects to achieve 2,200 units nationwide of such media in 2018. The project is ready to substitute the Pole Mounted Mupi of Bangkok Metropolitan Administration with more than 50% cost saving. It is believed to be profitable advertising media in place of the Pole Mounted Mupi (Mupi) both in Bangkok and rural provinces.

Moreover, the new project development of TSF has been kicked off, especially new advanced technology digital advertising media in the 4 regional airports such as Don Mueang Airport, Chiang Rai Airport, Chiang Mai Airport and Phuket Airport.

At the same time, the company, in cooperation with G.I.S Park (Thailand) Company Limited, has been granted a concession to revamp all public telephones of TOT to be innovative telephone booths in accordance with Thailand 4.0 Policy. The development will start to deliver in Bangkok downtown areas advanced and innovative telephone booths similar to their counterparts in New York and economic cities of China. In that regard, the company will gain revenues from digital advertising media sales and Free Wifi from the innovative telephone booths. Therefore, the management is confident that in 2018 the company will achieve the revenue goal that the management has set, and even higher than previous years.



Mr. Aran Apichari
Chairman of the Board

คณะกรรมการบริษัท



นายอรัน อภิচারิ



นายพลศักดิ์ เจริญศิริ



พลเอกนาวัน ดำริกาญจน์



นายปรนนต์ จิตะวรรณ

1. นายอรัน อภิচারิ

ประธานคณะกรรมการ
MR. ARAN APICHARI
Chairman of the Board

3. พลเอกนาวัน ดำริกาญจน์

กรรมการ
กรรมการบริหาร
GEN.NAVIN DAMRIGAN
Director

2. นายพลศักดิ์ เจริญศิริ

กรรมการ
กรรมการบริหาร
ประธานเจ้าหน้าที่บริหาร
MR. POLSAK CHAROENSIRI
Director

4. นายปรนนต์ จิตะวรรณ

กรรมการ
MR. PRANONTHA TITAVUNNO
Director

BOARD OF DIRECTORS



นายนิพัทธ์ ปิ่นแสง



พลเอกวิชิต ยาทิพย์



นางสาวนิลบล เครือณพรัตน์



พลโทอนุมนตร์ วัฒนศิริ

5. นายนิพัทธ์ ปิ่นแสง

กรรมการ

MR. NIPAT PINSEANG

Director

6. พลเอกวิชิต ยาทิพย์

กรรมการอิสระ

ประธานคณะกรรมการตรวจสอบ

GEN. VICHIT YATHIP

Independent Director

Chairman of Audit Committee

7. นางสาวนิลบล เครือณพรัตน์

กรรมการอิสระ

กรรมการตรวจสอบ

MISS NILUBOL KREUANOPARAT

Independent Director

Audit Committee

8. พลโทอนุมนตร์ วัฒนศิริ

กรรมการอิสระ

กรรมการตรวจสอบ

LT.GEN. ANUMONTRI VATTANASIRI

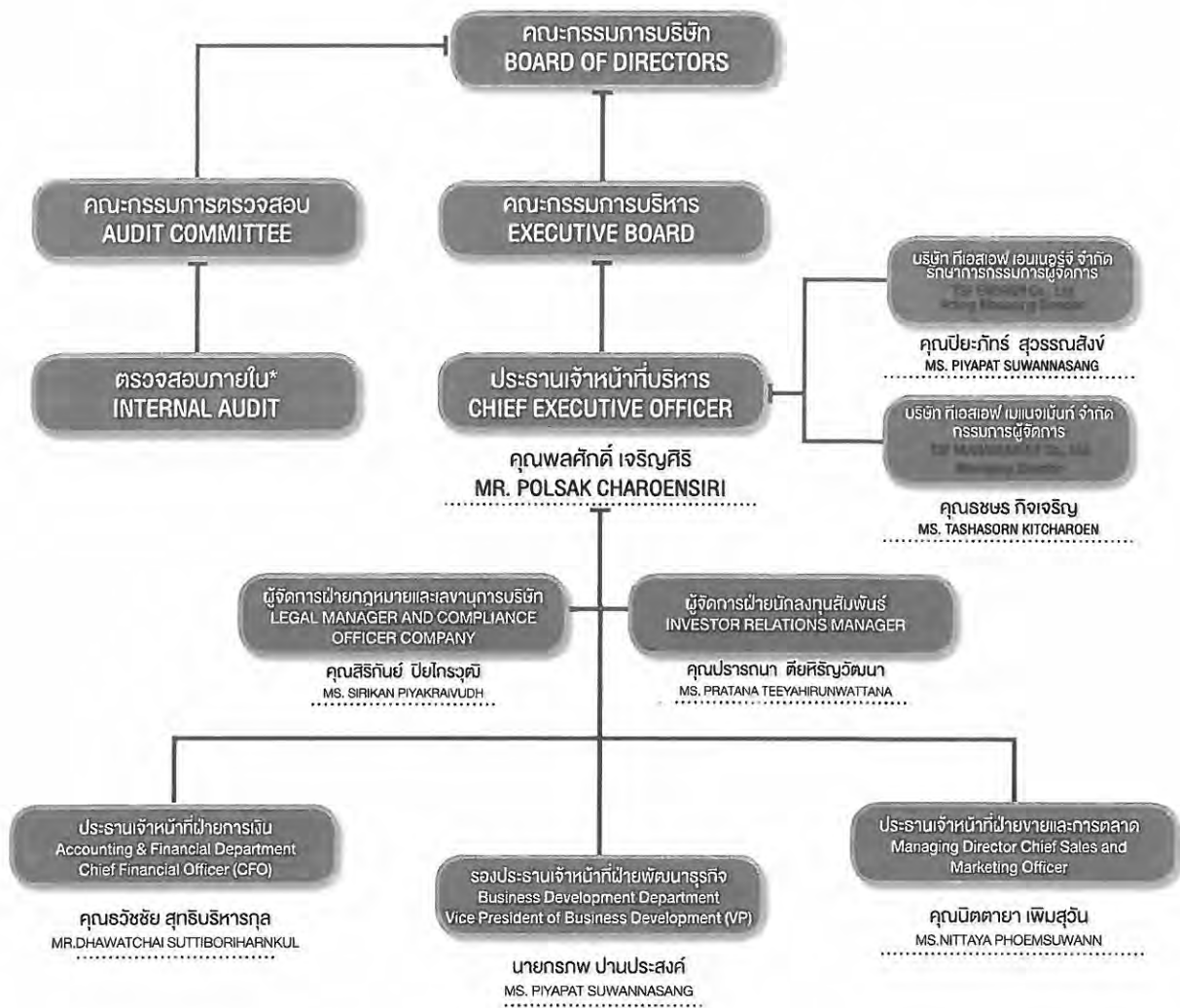
Independent Director

Audit Committee

ORGANIZATION CHART

ผังโครงสร้างองค์กร

โครงสร้างการจัดการของบริษัท ณ วันที่ 31 ธันวาคม 2560 สรุปได้ดังนี้



หมายเหตุ *บริษัทว่าจ้างบริษัทและบุคคลภายนอกเพื่อดำเนินงานในส่วนดังกล่าวให้กับบริษัท

NATURE OF BUSINESS

ลักษณะการประกอบธุรกิจ

BACKGROUND AND SIGNIFICANT DEVELOPMENTS

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. The company has changed the symbol (logo) the initials TSF and shift the seal of the new company from "365" to "TSF" on 28 April 2014. And registered for the office relocation later to No. 349 SJ Infinite I Business Complex, 23th Floor, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 on 1 February 2016.

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

Three Sixty Five PCL business operation in servicing the advertising media outside households to cover the main strategic points in Bangkok, Chiang Mai, Chiang Rai, Khon Kaen, Ubonratchathane, Hat Yai, Udonthani, Chonburi, Cha-am, Hua-hin, and Suratthani as well as Suvarnabhumi Airport, and airport around the country by the year 2016, 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) TSF Extra Co., Ltd (formerly TSF Energy Co., Ltd. was registered as a juristic person on 22 October 2009 and registered for the name amendment on 11 October 2017) is engaging in the business of providing consulting, advisory and planning for all types of advertising- public relations.

(3) Solar Leasing Co., Ltd. (registered as a juristic person on 26 March 2015 with the registered capital of Baht 20,000,000 and the capital decrease to Baht 5,000,000 registered on 22 January 2016) is the company operating the business of leasing for the leasing of machines and tangible products. Has already sold the stock on 14 June 2016.

The Company's Group has conducted the separate action on customer service in order to make the management structure of operation to be clearer. Three Sixty Five PCL focused the business operation in servicing the advertising media outside households to cover the main strategic points in Bangkok, Chiang Mai, Chiang Rai, Khon Kaen, Ubonratchathane, Hat Yai, Udonthani, Chonburi, Cha-am, Hua-hin, and Suratthani in the form of Mupi and Panorama as well as organizing the events for the projects of government agencies and state enterprises including private companies with the emphasis on being the representative in supplying the channels for broadcasting the advertising media to promote the companies of customers, for example, advertising on the large billboards and other advertising media such as television, radio stations, printing media, and the management for the implementation of projects. The Company operations will perform the operation since the commencement of project's implementation in order to comply with the terms and agreements set forth to be completed in the scheduled time.

In late 2012, the Company participated in the bidding process for major projects of Bangkok and the Company was granted the right to manage the project of maintenance and installation of Panorama in Bangkok area for 3 projects. This was for collecting the commercial benefits in the advertisement of billboards in the points defined by Bangkok. The period of project was 9 years for the first two projects and 6 years for the third project.

In 2013, the Company rented the space for installing the billboards at the area of JET Bridge in 6 airports. Moreover, in mid-2013, the Company had granted the right to purchase the advertising billboards in Chiang Mai.

In 2014, the space for installing the advertising billboards was rented in Chiang Rai, Chonburi, Hat Yai, Khon Kaen, and Ubonratchathane.

In 2015 The Company to terminate the advertisement installation project agreements for Group A and Group C. These two agreements shall be promptly and effectively terminated. The administrative section then reserved the leasehold impairment for the both agreements including the leasehold of the remaining agreement (Group 691). The impairment of the three agreements was reserved in the amount of Baht 323.55 million. At the end of 2015, the Company obtained the leasehold from CP ALL PCL for the installations of DTC (Direct to Customer) advertisements in front of over 8,500 branches of 7-Eleven nationwide. Each advertisement lasted for 3 years whereas the leasehold could be renewed for further three years.

On 16 February 2016, the company filed legal suit against Bangkok Metropolitan Administration (BMA) at the Central Administrative Court to claim for compensation against damage arising from BMA's restraining order to erect advertisement posters per Group A and Group C agreements. On 3 May 2016, the Central Administrative Court accepted the claim for the damage at the total amount of 578.07 million baht and on 22 March 2016, the company was notified by the Bangkok Traffic and Transportation Office on the cancellation of the agreement on Group A and Group C. As a result, the company stopped recording the monthly royalty fees starting from March 2016 onwards.

During 2017, the company installed advertisement posters DTC (Direct to Customer) in front of 7-eleven convenience stores totaling 1,806 posters and have continued to do so.

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 2014-2016 as follows:

Type of Business	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
ThreeSixtyFive Public Co., Ltd						
1.Revenue from Bangkok Bus Shelter Advertisement project	159.04	59.91	196.45	59.91	309.97	72.06
2.Revenue from Advertisement boards in upcountry	11.96	8.36	27.42	8.36	46.63	10.84
3.Revenue from Advertising Media & Public Relations Services	-	-	-	-	-	-
4.Revenue from Public Relations Projects	70.24	1.78	5.70	1.74	-	-
5.Revenue from Advertising DTC	80.85	17.43	57.14	17.43	0.68	0.16
TSF Energy Co., Ltd.						
1.Revenue from Bangkok Bus Shelter Advertisement Project	-	-	-	-	-	-
2.Revenue from Advertising Media & Public Relations Services	-	-	-	-	-	-
3.Revenue from Organizing Public Relation Project	-	-	-	-	-	-
TSF Management Co., Ltd.						
1.Revenue from Advertisement boards in upcountry	18.42	2.14	7.02	2.14	3.12	0.72
2.Revenue from Advertising Media & Public Relations Services	35.88	10.42	34.17	10.42	69.79	16.22
Total	376.39	100.00	327.90	100.00	430.19	100.00

REPORT OF THE AUDIT COMMITTEE

รายงานคณะกรรมการตรวจสอบ

ATTENTION : SHAREHOLDERS OF THREESIXTYFIVE PUBLIC COMPANY LIMITED

Audit Committee of ThreeSixtyFive Public Company Limited, is consisting of 3 independent auditors i.e. General Vichit Yathip, Chairman of Audit Committee, Lt.General Anumontri Vattanasiri and Miss Nilubol Kreuanoparat – both are Audit Committee Member.

In 2017, there were a total of 4 Audit Committee meetings:

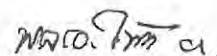
1. General Vichit Yathip	Chairman of the Audit Committee	attended 4 meetings
2. Lt.General Anumontri Vattanasiri	Member of the Audit Committee	attended 4 meetings
3. Miss Nilubol Kreuanoparat	Member of the Audit Committee	attended 4 meetings

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 2017, which were prepared in accordance with generally accepted accounting principles. Listen to explanations from the Company's auditors 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 2018, 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 or Ms. Sunisa Sema, Certified Public Accountant (Thailand) No. 7707 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 2 April 2018



General Vichit Yathip
Chairman, Audit Committee

RISK FACTORS

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 shareholders' 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 warrant unit at 0.75 Baht per share.

In 2014, during the extraordinary shareholders' meeting 1/2557 on January 22, 2014, the meeting had a resolution to approve to increase 176, 928, 0113 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.

In 2015, at the Extraordinary General Meeting of Shareholders No. 2/2557 (postponed) on 6th January, 2015, the resolution was to increase the registration capital for 204,578,242.60 Baht divided into 2,045,782 shares at 0.10 Baht per share. This would be allotted to each previous shareholder of the Company following the proportion of the existing shareholding at the rate of 2 existing ordinary shares per 1 capital-increased ordinary share. The shares were offered to be sold at a price of 0.35 Baht per share for 1,645,782,426 shares.

There were persons subscribed for purchasing the capital-increased shares for 1,645,782,426 shares at 0.35 Baht per share amounting to 495,335,552.95 Baht. At the Meeting of the Board of Directors on 9th February, 2015, the resolution was to give the remaining shares from the existing shareholders of 230,537,989 shares and the shares approved for the allotment in capital increase of 200,000,000 shares to the individuals to allocate the private placement at a price of 0.42 Baht per share. The payment for the shares was in the amount of 180,825,955.38 Baht within 13th February 2015.

In 2017, as at 31st December 2017, the company's cash and cash equivalents of 99.34 million Bath, and there was no change in the registered capital or issued and paid-up capital.

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.

LEGAL DISPUTES WITH BANGKOK METROPOLITAN ADMINISTRATION

As of 31st December 2017, the company is having disputes with Bangkok Metropolitan Administration ("BMA") involving parts of unpaid sum of monthly and yearly concession fees, including penalty fines related to the contract number SorJorSor. 4/2556 group A, and contract number SorJorSor. 5/2556 Group C in which the company is prosecuting against BMA in the Central Administrative Court in order to claim for a contract breach compensation regarding the delivery of bus stop shelters and signboards that are not in a working condition to the company, in the total amount of 388.97 million Baht with an interest at the rate of 7.50% of the principal per year from the prosecution date until fully paid. Also on 16th February 2016 the company prosecuted against BMA in the Central Administrative Court to claim for a loss of profit compensation caused from the contract breach, in the total amount of 578.07 million Baht with an interest at the rate of 7.50% per year from the prosecution date until fully paid. Later on, 22nd March 2016 BMA terminated the concession contracts that granted private entities rights to maintain the above mentioned two bus stop shelter contracts. And on 29th November 2017 BMA prosecuted against the company in the Central Administrative Court for not performing according to the contracts, and claimed penalty fines under the contracts together with an interest at the rate of 7.5% per year, in the total amount of 1,123.15 million Baht. It is currently pending the Central Administrative Court's consideration as of the date of this report. The outcomes of the proceedings are still unknown.

CAPITAL STRUCTURE

โครงสร้างการถือหุ้น

THE COMPANY'S SECURITIES

Registered Capital and Issued and Paid-Up Capital

As at 31 December 2017, the Company has registered capital of Baht 655,029,265.50 consisting of 6,550,292,655 ordinary shares, with a par value of Baht 0.10 per share and has an issued and paid-up capital of Baht 639,596,668.20 divided into 6,395,966,682 ordinary shares with a par value of Baht 0.10 per share.

Shareholders

The 10 largest shareholders of the Company, as appears in the Shareholders' Register as at 11 March 2016, can be summarized as follows:

Name	No. of Shares	%
1. Bts Group Holdings Pcl.	307,189,800	4.80
2. Mr. Narong Wangcharoenwong	191,883,394	3.00
3. Media Target Co., Ltd.	153,799,150	2.40
4. Thai NVDR Co., Ltd.	153,224,457	2.40
5. Miss Saniwimol Hemmasikhanthaka	150,875,500	2.36
6. Miss Amporn Sribhothong	82,011,800	1.28
7. Mr. Prinn Chirariwat	64,858,539	1.01
8. Mr. Narongchai Mitripoj	57,062,000	0.89
9. Mr. Theranan Suralertrangsi	56,500,000	0.88
10. Acting Sub Lt. Pisano komveravong	55,000,031	0.86
Total	1,272,404,671	19.89

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	:	349 SJ Infinite I Business Complex, 23rd floor, Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok
Registration No.	:	0107548000340
Home Page	:	www.tsf.co.th
Telephone	:	0-2017-4280-9
Facsimile	:	0-2040-1290-1
Registered capital (31st Dec. 2015)	:	6,550,292,655 shares, par value of Baht 0.10 per share, totaling Baht 655,029,265.50
Paid-up capital (31st Dec. 2015)	:	6,395,966,682 shares, par value of Baht 0.10 per share, totaling Baht 639,596,668.20
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
Shareholders' Business Dept.:		Miss Prattana Teeyahirunwattana
E-mail	:	Prattana.T@tsf.co.th
Telephone	:	0-2017-4280-9 ต่อ 201
Facsimile	:	0-2040-1290-1
Company's Secretary	:	Miss Sirikan Piyakraivudh
E-mail	:	Sirikan.P@tsf.co.th
Telephone	:	0-2017-4280-9 ต่อ 202
Facsimile	:	0-2040-1290-1

SUBSIDIARIES

COMPANY 1

COMPANY NAME	:	TSF ENERGY COMPANY LIMITED
Objective	:	Consulting, advising and planning for all types of advertising and public relations and business about the imported products manufacturing factory of creating energy.
Office	:	349 SJ Infinite I Business Complex, 23rd floor, Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok. (Start from 1 February 2015)
Registration No.	:	0105552114638
Telephone	:	0-2017-4280-9
Facsimile	:	0-2040-1290-1

Registered capital	:	Baht 50,000,000 (Fifty Million Baht)
No. of shares	:	5,000,000 Shares (Five Million 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
Office	:	1555 Soi Ladprao 94 (Panjamit) Plubpla, WangThongLang, Bangkok.
Registration No.	:	0105549076194
Telephone	:	0-2957-5532-3
Facsimile	:	0-2957-5534
Registered capital	:	Baht 55,000,000 (Fifty - five Million Baht)
No. of shares	:	550,000 Shares (Fifty Hundred and fifty Thousand Shares)
Par value	:	100 Baht (One Hundred Baht)
Shareholding Proportion	:	ThreeSixtyFive Public Company Limited holds 100% of the shares

ASSOCIATED

COMPANY 1

COMPANY NAME	:	ACTION AND AUCTION COMPANY LIMITED
Objective	:	The principal business operation of the Company are to deliver services related to auction of assets and (second hand) vehicles in general.
Office	:	512/28, Ramkhamheng 39 (Tepleela 1), Wangthonglang, wangthonglang, Bangkok 10310.
Registration No.	:	0105560013322
Registered capital	:	Baht 10,000,000 (Ten Million Baht)
No. of shares	:	100,000 Shares (One Hundred Thousand Shares)
Par value	:	100 Baht (One Hundred Baht)
Shareholding Proportion	:	ThreeSixtyFive Public Company Limited holds 24% of the shares

MANAGEMENT PROFILE

ประวัติคณะกรรมการบริษัท

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

2. MR. POLSAK CHAROENSIRI (DIRECTOR /EXECUTIVE COMITTEE/CHIEF EXECUTIVE OFFICER)

Date/Month/Year : 25 April 1956

Education Background

- : Bachelor of Political Science, Sukhothai Thammathirat Open University
- : Post Graduate Diploma in Interior Design (Interior Architect), KVB College of Visual Communication, Sydney, Australia(KVB Institute of Technology)
- : Director Accreditation Program (DAP) Thai Institute of Directors

Work Experience

- Present : Director/Managing Director/ Chairman of the Management Board of ThreeSixtyFive Public Co., Ltd.
- 2010-2016 : Managing Director, TSF Management Co., Ltd.
- 2008-2010 : Managing Director, JCD Management Co., Ltd.
- 2005-2008 : Deputy Director, TV Standard Co., Ltd.
- 2001-2005 : Assistant Director, Home Products Center PLC
- 1999-2000 : Project Manager, Apex Health Care Co., Ltd.
- 1996-1998 : Construction Senior Manager, Cons Line Co., Ltd.
- 1995-1996 : Project Manager, Well Resort of Soon Hua Seng Co., Ltd.
- 1994-1995 : Project Manager, Big C Pattaya
- 1991-1994 : Senior Designer, Central Design Office
- 1990-1991 : Manager of Design and Development Department , Acmen Co., Ltd.
- 1988-1990 : Display & Interior Designer, Katies Fashions (AUST) PTY Ltd., Australia
- 1979-1987 : Project Manager, DPS Associate Co., Ltd.

3. GENERAL NAVIN DAMRIGAN (DIRECTOR /EXECUTIVE COMMITTEE)

Date/Month/Year : 17 August 1957

Education Background

- : Armed Forces Academies Preparatory School (Class16)
- : Chulachomklao Royal Military Academy (Class 27)
- : Curriculum for Captain, Infantry Corps, Infantry Center
- : Curriculum for Colonel, Infantry Corps, Infantry Center
- : Army Joint Staff College, Command and General Staff Officer Course, Class 67
- : National Defense College, National Defense Course, Class 22
- : King Prajadhipok's Institute, Advanced Certificate Course in Politics and Governance in Democratic Systems, Class 15
- : The Virginia Military Institute (VMI), the United States of America
- : Bachelor of Science (Chemical Engineering), Rice University, the United States of America (1980)
- : Master of Science (Chemical Engineering), Northwestern University, the United States of America (1981)
- : Doctor of Science (Chemical Engineering), Northwestern University, the United States of America (1981) Northwestern University, the United States of America (1984)
- : Asia-Pacific Center for Security Studies (APCSS), Senior Executive Course, Transnational Security Cooperation (2009)

Work Experience

- Present : Director/Executive Director of Three Sixty Five Public Co., Ltd.
- Present : Deputy Secretary-General to the Prime Minister for Political Affairs
- Present : Senior Expert, Office of the Permanent Secretary for Defence
- 2012-2013 : Assistant Chief of Staff Officers to the Minister for Defense
- 2009-2012 : Chief of Military Affairs Coordination Officers to Office of the National Security Council
- 2008-2009 : Director of Defense Science and Technology Organization
- 2005-2006 : Advisor to the Deputy Prime Minister and Minister of Commerce and Finance
- 2005-2005 : Military Affairs Coordination Officer to the National Security Council
- 1999-2002 : Assistant Defense, acting Army Attach to the Royal Thai Embassy at Beijing
- 1992-1995 : Deputy Army Attach to the Royal Thai Embassy at Washington
- 1984-1988 : Instructor of Education Section, Chulachomklao Royal Military Academy

4. MR. PORRANON THITAVANNO (DIRECTOR)

Date/Month/Year : 1 May 1972

Education Background

- : Master of Science in Telecommunication Management, National University, San Diego, USA
- : Bachelor of Engineering in Industrial Engineering, Kasetsart University
- : Senior High School: Triam Udom Suksa School
- : Primary Education - Junior High School: Bangkok Christian College

Work Experience

Present	:	Director of Three Sixty Five Public Co., Ltd.
	:	President of Information Technology Group (Software Industry), the Federation of Thai Industries
	:	Director of the Federation of Thai Industries
	:	Directors' Pool
	:	Vice President of Pathumthani Concrete Co., Ltd.
	:	President of Kediglow Co., Ltd.
Past	:	Managing Director of Information Enterprise Co., Ltd.
	:	Honorary Advisor for Communication and Telecommunication Committee, House of the Representatives
	:	Director of TOT Public Co., Ltd.
	:	Advisor of Software Association of Thailand (ATSI)
	:	Director of Thai Software Industry
	:	Advisor of the Association of Thai ICT Industry (ATCI)
	:	Secretary of Joint Project Committee between National Software Industry Promotion Agency (Public Organization with Other Units), Software Industry Promotion Agency (SIPA)
	:	Managing Director of Winns Cooling and Misting (Thailand) Co., Ltd.

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

6. GEN. VICHIT YATHIP (INDEPENDENT DIRECTOR / 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	:	Independent Director / Chairman of the Audit Committee ThreSixtyFive Public Co., Ltd.
Present	:	Director LOXLEY Public Company Limited

2013–Present	: Chairman of the Board Nippon Pack (Thailand) Public Co.,Ltd.
Present	: Director Bangkok Airways Public Co., Ltd.
Present	: Director Vanachai Group Public Co., Ltd.
2011	: Chairman of the Board Metropolitan Waterworks Authority
2009	: Director TOT Public Co., Ltd.

7. MISS NILUBOL KREUANOPARAT (INDEPENDENT DIRECTOR/ AUDIT COMMITTEE)

Date/Month/Year : 18 January 1953

Education Background

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

Work Experience

Present	: Independent Director / Audit Committee Member : ThreeSixtyFive Public Co., Ltd.
Present	: Qualified Member of National Astronomical Research Institute of Thailand (Public Organization)
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

8. LT.GEN. ANUMONTRI VATTANASIRI (INDEPENDENT DIRECTOR/ AUDIT COMMITTEE)

Date/Month/Year : 21 March 1957

Education Background

- : Master Degree Pharmaceutical industry, Duquesne University Pittsburg, Pennsylvania, USA
- : Bachelor Degree Bachelor of Pharmaceutical Sciences

Military Program

- : Comptroller General, Generation 6, Army Finance School, Finance Department
- : Army Medical Advanced Course, Generation 31, Army Medical Field Service School, Army Medical Department
- : Advanced Security Management Program, Generation 7, the Association National Defense College of Thailand under the Royal Patronage of His Majesty the King

Work Experience

Present	: Audit Committee / Independent Officer of ThreeSixtyFive Public Co., Ltd.
2014 – Present	: Defense Pharmaceutical Factory, Defense Industry and Energy Center attached to Ministry of Defense
Past	: Consultant of Millennium Asset Co., Ltd.
	: Consultant of Saeng Fah Isuzu Sales Co., Ltd.
	: Committee of Pharmacy Council, Ministry of Public Health
	: Student Committee of Advanced Security Management Program, Generation 7, the Association National Defense College under the Royal Patronage of His Majesty the King
	: Special Military Officer of Chulachomklao Royal Military Academy

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 8 members, which are:

No.	Name	Position
1	Mr. Aran Apichari	Chairman of the Board / Chairman of Executive Committee
2	Mr. Polsak Charoensiri	Director / Executive Committee / Chief Executive Officer
3	General Navin Damrikan	Director / Executive Committee
4	Mr. Nipat Pinsaeng	Director
5	Mr. Porranon Thitawanno	Director
6	General Vichit Yathip	Chairman of Audit Committee / Independent Director
7	Miss Nilubol Kreuanoparat	Audit Committee member / Independent Director
8	Lt.General Anumontri Vattanasiri	Audit Committee member / Independent Director

and The Company appointed Ms. Sirikan Piyakraivudh to act as company's secretary afterwards.

The committees authorized to sign binding the Company are Mr. Aran Apichari, Mr. Polsak Charoensiri and Mr. Porranon Thitawanno. 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.

12.1.1. Sales or transfer of all or significant parts of the Company's businesses to other persons.

12.1.2. Purchasing or adopting business of another Company or private Company as the Company's own business.

12.1.3. 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.

12.1.4. Change or amendment to Company's memorandum or articles of association.

12.1.5. Increase capital, decrease capital, issue debentures, merge or liquidate the Company.

12.1.6. 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 is name:

No.	Name	Position
1	General Vichit Yathip	Chairman of Audit Committee / Independent Director
2	Miss Nilubol Kreuanoparat	Audit Committee Member / Independent Director (with financial statements audit knowledge and experience)
3	Lt.General Anumontri Vattanasiri*	Audit Committee Member/ Independent Director
4	General Rangsarid Chaengchenkit **	Audit Committee Member/ Independent Director

* Lt.General Anumontri Vattanasiri's appointed on September 14, 2016 instead of General Rangsarid Chaengchenkit's position **General Rangsarid Chaengchenkit deceased on August 22, 2016

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 3 persons, which are:

No.	Name.	Position
1	Mr. Aran Apichari	Chairman of the Board / Chairman of Executive Director Committee
2	Mr. Polsak Charoensiri	Director / Executive Committee / Chief Executive Officer
3	General Navin Damrikan	Director / Executive Committee

Scope of Responsibilities of the Executive Board

1. 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.
2. Determine the Company's business plan, budget and management authority to propose to the Board of Director for further approval.
3. 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.
4. 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.
5. 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.
6. 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 2017, the management team consists of 6 persons as follows:

No.	Name	Position
1	Mr. Polsak Charoensiri	Chief Executive Officer
2	Mr. Dhawatchai Suttiboriharnkul	Chief Financial Officer
3	Miss Nittaya Phoemsuwan	Chief Marketing Officer
4	Mr. Kornphop Pranprasong	Vice President of Business Development Department
5	Miss Sirikan Piyakraivudh	Compliance Officer Company & Legal Manager
6	Miss 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 Chief Executive Officer has no authorities to perform any activities, about or related to the transactions or issues that the Chief Executive Officer 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 2017, the Board of Directors held a total of 14 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	14/14	29 July 2011	-
2. Mr. Polsak Charoensiri	14/14	14 January 2016	-
3. General Navin Damrikan	14/14	27 February 2015	-
4. Mr. Porranon Titiwanno	13/14	12 November 2015	-
5. Mr. Nipat Pinsang	14/14	12 October 2012	-
6. General Vichit Yathip	14/14	26 August 2009	-
7. Miss Nilubol Kreuanoparat	13/14	1 October 2013	-
8. Lt. General Anumontri Vattanasiri	13/14	14 September 2016	-

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 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 or consultant who receives monthly salaries from the Company. Not a person who have the power to control over the Company, or a person who may have a conflict of interest or stakes with the Company within 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, or 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, or a major shareholder, or 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* (Baht)
1.Mr. Aran Apichari #	850,000.00
2. General Navin Damrigan	570,000.00
3. Miss Nilubol Kreuanoparat	430,000.00
4. General Vichit Yathip	480,000.00
5. Mr. Nipat Pinsang	420,000.00
6. Mr. Porranon Thitawanno	390,000.00
7. Mr. Polsak Charoensiri	210,000.00
8. Lt.General Anumontri Vattanasiri***	460,000.00
Total	3,810,000.00
9. Miss. Sirikan Piyakraivudh **	30,000.00.00
Total Remuneration for 2017	3,840,000.00

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 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 22.33 million.

FINANCIAL POSITION AND OPERATING PERFORMANCE

ฐานะการเงินและผลการดำเนินงาน

FINANCIAL STATEMENTS

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

For 2015, the Financial Statement of Three Sixty Five Public Co., Ltd. and its subsidiaries and of Three Sixty Five 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 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 2015 and consolidated and company financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

For 2016, the Financial Statement of Three Sixty Five Public Co., Ltd. and its subsidiaries and of Three Sixty Five 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 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 2016 and consolidated and company financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

For 2017, the Financial Statement of Three Sixty Five Public Co., Ltd. and its subsidiaries and of Three Sixty Five Public Co., Ltd. was audited by Miss. Lehum Chinnapan, Certified Public Accountant Registration Number 7306, of RSM Audit Services (Thailand) Co., Ltd. The auditor was of the opinion that the consolidated financial statement presents 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 2017 and consolidated and company financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

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.

STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED FINANCIAL						FINANCIAL STATEMENT			
	31 Dec 2017		31 Dec 2016		31 Dec 2015		31 Dec 2017		31 Dec 2016	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
ASSETS										
CURRENT ASSETS										
Cash and cash equivalent	99,938	14.70	608,127	65.24	457,232	40.34	51,207	7.58	505,279	54.89
Temporary investment	53,171	7.82	4,447	0.48	322,118	28.42	51,171	7.57	2,423	0.26
Trade and other receivables - net	224,142	32.97	109,095	11.7	187,460	16.54	183,076	27.08	98,156	10.68
Short-term loans to subsidiary	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00
Other current assets	7,793	1.14	2,448	0.26	2,954	0.26	1,592	0.24	2,247	0.24
Total Current Assets	385,044	56.63	724,117	77.68	969,764	85.56	608,105	35.23	608,105	66.06
Non-Current Assets										
Deposit at financial institution used as collateral	66,023	5.65	52,635	5.65	52,635	4.65	66,024	9.77	52,635	5.72
Investment in associate company	671	0.00	-	0.00	7,940	0.70	-	0.00	-	0.00
Investment in subsidiaries	-	0.00	-	0.00	-	0.00	125,454	18.56	125,454	13.63
Leasehold improvement and equipment-net	151,378	2.11	19,688	2.11	20,220	1.79	146,040	21.60	13,355	1.45
Intangible assets - net	18,866	0.17	1,619	0.17	1,506	0.13	18,719	2.77	1,331	0.14
Leasehold rights - net	10,666	11.25	104,845	11.25	42,751	3.77	7,666	1.13	104,572	11.36
Other non-current assets	42,237	3.14	29,259	3.14	38,557	3.40	24,982	3.70	15,147	1.65
Total Non-Current Assets	294,843	22.32	208,026	22.32	163,609	14.44	388,885	57.53	312,494	33.94
TOTAL ASSETS	679,887	100.00	932,143	100.00	1,133,373	100.00	675,931	100.00	920,599	100.00

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.

STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED FINANCIAL				FINANCIAL STATEMENT			
	31 Dec 2017	31 Dec 2016	31 Dec 2015		31 Dec 2017	31 Dec 2016	31 Dec 2015	
	Thousand Baht	Thousand Baht	Thousand Baht	%	Thousand Baht	Thousand Baht	Thousand Baht	%
LIABILITIES AND SHAREHOLDERS' EQUITY								
CURRENT LIABILITIES								
Trade and other payable	567,688	572,506	486,599	61.42	564,455	564,614	480,337	42.90
Current portion of finance lease payable	786	786	81	0.08	38	38	41	0.00
Value added tax payable	11,407	4,667	12,864	0.50	8,439	4,198	10,314	0.92
Other current liabilities	51	22	22	0.00	22	22	22	0.00
TOTAL CURRENT LIABILITIES	579,932	577,981	499,566	62.00	572,915	568,872	490,714	43.82
NON-CURRENT LIABILITIES								
Finance leases payable-net	477	1,264	38	0.14	-	-	38	0.00
Employees benefit obligations	1,517	2,833	3,130	0.30	1,284	2,652	1,859	0.17
Other non-current liabilities	14,891	8,136	8,640	0.87	14,821	8,066	8,640	0.77
Total Non-Current Liabilities	16,885	12,233	11,808	1.31	16,105	10,718	10,537	0.94
Total Liabilities	596,817	590,214	511,374	63.31	589,021	579,590	501,251	44.76

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.

STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED FINANCIAL			FINANCIAL STATEMENT		
	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2017	31 Dec 2016	31 Dec 2015
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
	%	%	%	%	%	%
SHAREHOLDERS' EQUITY						
SHARE CAPITAL						
REGISTERED						
6,550,292,655 Ordinary Shares of Baht 0.10 per Share	719,542	655,029	655,029	719,542	655,029	655,029
6,550,292,655 Ordinary Shares of Baht 0.10 per Share						
4,504,510,229 Ordinary Shares of Baht 0.10 per Share						
ISSUED AND PAID-UP						
6,395,966,682 Ordinary Shares of Baht 0.10 per Share	639,597	639,597	639,597	639,597	639,597	639,597
6,395,966,682 Ordinary Shares of Baht 0.10 per Share						
3,308,510,428 Ordinary Shares of Baht 0.10 per Share						
Premiums on share capital	-	-	707,895	-	-	707,895
Deficits	(556,527)	(297,669)	(725,494)	(552,678)	(298,588)	(728,978)
Total shareholders' equity	83,070	341,929	621,998	86,910	341,009	618,514
Non-Controlling Interests of Subsidiaries	-	-	-	-	-	-
Total Shareholders' Equity	83,070	341,929	621,998	86,910	341,009	618,514
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	596,817	932,143	1,133,373	675,931	920,599	1,119,764
	100.00	100.00	100.00	100.00	100.00	100.00

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. (Unit : Thousand Baht)

STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED FINANCIAL STATEMENT			FINANCIAL STATEMENT		
	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2017	31 Dec 2016	31 Dec 2015
Service income	376,394	327,897	430,190	322,092	300,652	367,137
Cost of Services	(512,490)	(452,688)	(592,683)	(475,623)	(425,570)	(550,924)
Gross Loss	(136,096)	(124,791)	(162,493)	(153,531)	(124,918)	(183,787)
Reverse of accrued cost	-	44,112	-	-	44,112	-
Reversal of doubtful debts	1,195	22,092	1,787	1,195	23,667	-
Gain on exchange rate	466	-	-	466	-	-
Gain on disposal of temporary investments	556	706	3,128	556	706	3,128
Gain on disposal of investments in associate	-	73	-	-	-	-
Forfeit income from contract termination	-	10,725	-	-	-	-
Interest income	5,375	31,899	4,915	4,935	31,625	-
Other Income	3,776	5,552	10,238	2,874	3,853	14,854
Unrealised gain (loss) on temporary investments	-	108	(2,808)	-	108	(2,808)
Share of loss from associated company	(1,729)	(13)	(60)	-	-	-
Service expenses	(53,570)	(44,128)	(58,960)	(37,152)	(37,164)	(52,046)
Administrative expenses	(54,488)	(204,842)	(150,714)	(56,577)	(203,448)	(146,188)
Loss on impairment of goodwill	-	-	-	-	-	-
Loss on impairment of investments in subsidiary company	-	-	-	-	-	-
Impairment loss on intangible asset	-	-	(19,413)	-	-	(19,413)
Impairment loss on leasehold rights	-	-	(328,100)	-	-	(323,679)
Management's remuneration	(22,334)	(21,617)	(24,587)	(15,747)	(16,040)	(18,705)
Finance costs	(92)	(52)	(26)	(7)	(5)	(9)
Loss before Income Tax Expense	(258,053)	(280,176)	(727,093)	(254,100)	(277,504)	(728,653)
Income Tax Expense	(806)	(1,262)	(2,641)	-	-	(325)
Loss for the year	(258,859)	(281,438)	(729,734)	(254,100)	(277,504)	(728,978)
Remeasurement of employee benefit obligations	1,369	1,369	-	-	-	-
Profit (Loss) before Income Tax	(258,859)	(280,069)	(729,734)	(254,100)	(277,504)	(728,978)
Net (Loss) attributable to :						
Shareholders of the Company	(258,859)	(280,069)	(729,734)	(254,100)	(277,504)	(728,978)
Non-controlling interest of subsidiary company	-	-	-	-	-	-
Total Comprehensive Income Expense for the year	(258,859)	(280,069)	(729,734)	(254,100)	(277,504)	(728,978)
Earnings Per Share						
Basic EarningsPer Share (unit : Baht)	(0.0405)	(0.0440)	(0.1281)	(0.0397)	(0.0434)	(0.1279)

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. (Unit : Thousand Baht)

STATEMENTS OF CASH FLOWS	CONSOLIDATED FINANCIAL STATEMENT			FINANCIAL STATEMENT		
	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2017	31 Dec 2016	31 Dec 2015
CASH FLOW FROM OPERATING ACTIVITIES						
Profit (Loss) before income tax for the year	(258,053)	(280,177)	(727,093)	(254,100)	(277,504)	(728,653)
Adjustment to reconcile loss for the period to net cash provided (used in) operating activities :						
Depreciation	27,085	6,429	4,773	25,702	5,158	3,768
Amortization of intangible assets	784	475	1,791	682	363	1,696
Amortization of leasehold right	3,460	265,793	442,738	2,838	252,463	394,470
Impairment loss on leasehold rights	1,278	730	-	454	-	-
Reversal of doubtful debts	-	1,170	1,260	-	1,144	-
Impairment loss on intangible asset	-	-	19,413	-	-	19,413
Impairment loss on leasehold rights	-	-	328,100	-	-	323,679
Reversal of accrued cost	-	(44,112)	-	-	(44,112)	-
Reversal of doubtful debts	(1,195)	(22,092)	(1,787)	(1,195)	(23,667)	-
Employee Benefit Obligations	683	1,073	1,060	633	793	775
Actuarial loss on dedifined employee benefit plan	-	-	36	-	-	-
Employee Benefit Obligations	72	(706)	(3,128)	72	(706)	(3,128)
Unrealised loss on temporary investments	484	(108)	2,808	484	(108)	2,808
Unrealized gain on revaluation of cash equivalents	(240)			(240)		
Gain on disposal of Investment in associate		(73)	-	-	-	-
Share of(Profit) Loss from joint venture	1,729	13	60	-	-	-
Interest incomes	-	-	-	-	-	-
Loss on impairment of goodwill	-	-	-	-	-	-
Interest incomes	(5,376)	(33,609)	(4,915)	(4,935)	(31,625)	(4,730)
Interest expenses	92	51	26	7	5	9
Profit (Loss) from operation before change in operating assets and liabilities	(229,197)	(105,141)	65,142	(229,598)	(117,793)	10,107
Operating Assets Decrease (Increase)						
Cash received from sale of temporary investment		796,459	13,784		796,459	13,784
Cash payment for acquirement of temporary investment		(477,973)	(318,808)		(475,949)	(318,808)
Trade and other accounts receivable	(108,482)	102,327	(33,236)	(78,597)	89,288	(35,816)
Work-in progress	-	-	-	-	-	-
Other current assets	(1,084)	504	18,815	655	7	13,095
Other non-current assets	(18,055)	6,998	(17,249)	(9,835)	6,850	(14,011)

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. (Unit : Thousand Baht)

STATEMENTS OF CASH FLOWS	CONSOLIDATED FINANCIAL STATEMENT			FINANCIAL STATEMENT		
	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2017	31 Dec 2016	31 Dec 2015
Operating Liabilities Increase (Decrease)						
Trade and other accounts payable	(7,048)	130,414	232,095	(158)	128,388	226,402
Value added tax payable	6,740	(8,197)	1,021	4,240	(6,116)	1,390
Other current liabilities	29					
Other current liabilities	-	(1,930)	-	(2,000)	(2,000)	-
Cash payment for retirement benefit	(2,000)	-	(167)	(2,000)	-	-
Cash Received (paid in) Operating Activities	(359,097)	443,461	(38,603)	(317,2930)	419,134	(103,857)
Interest paid	(6)	(446)	(871)	(6)	(5)	(9)
Income tax refund (paid)	(6,195)	259	(10,463)	(5,187)	1,256	(7,596)
Net Cash Provided by (used in) Operating Activities	(365,298)	443,274	(49,937)	(322,446)	420,384	(111,463)
CASH FLOW FROM INVESTMENT ACTIVITIES						
Decrease in current investment	252,040			252,016		
Cash paid for deposit at financial institution used as collateral	(13,389)	-	(10,000)	(13,389)	-	(10,000)
Cash received in short-term loans to subsidiary companies	-	-	-	-	-	2,875
Proceeds for investment in subsidiary	-	-	-	-	-	(45,000)
Proceeds for investment in associates	(2,400)	-	(8,000)	-	-	-
Cash received from investment in associate		2,000	-	-	-	-
Cash received on disposal of investment in associate		6,000	-	-	-	-
Cash payment for project contracts	(4,260)					
Purchase of equipment	(56,214)	(4,832)	(14,683)	(56,017)	(3,560)	(11,202)
Disposal of equipment	8	794	-	-	-	-
Purchase of intangible assets	(18,070)	(588)	(182)	(18,070)	(544)	(91)
Purchase of leasehold right	(4,050)	(327,887)	(495,756)		(327,887)	(462,291)
Cash received from interest income	5,395	32,517	1,925	4,954	32,066	4,059
Net Cash used in Investing Activities	159,060	(291,996)	(526,696)	169,494	(299,925)	(521,650)
CASH FLOW FROM FINANCING ACTIVITIES						
Repayment for short-term loan from related companies	-	-	-	-	-	-
Repayment for financial lease payables	(871)	(382)	(512)	(39)	(41)	(37)
Cash received from increase of share capital	-	-	184,578	-	-	184,578
Cash received from increase of premiums on share capital	-	-	628,030	-	-	628,030
Cash received from exercise rights to purchase ordinary share	-	-	124,167	-	-	124,167
Net Cash Provide by Financing Activities	(871)	(382)	936,263	(39)	(41)	936,738

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. (Unit : Thousand Baht)

STATEMENTS OF CASH FLOWS	CONSOLIDATED FINANCIAL STATEMENT			FINANCIAL STATEMENT		
	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2017	31 Dec 2016	31 Dec 2015
Effect from changes in fair value measurement of cash and cash equivalents	240			240		
Cash and Cash Equivalent items increase - net	(206,896)	150,896	359,630	(152,751)	120,418	303,627
Cash and Cash Equivalent items at the beginning of the year	306,807	457,232	97,602	203,958	384,861	81,234
Cash and Cash Equivalent items at the end of the year	99,938	608,127	457,232	51,207	505,279	384,861

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. (Unit : Thousand Baht)

Financial Ratios		Year 2017	Year 2016	Year 2015
LIQUIDITY RATIOS				
Liquidity Ratio	(times)	0.66	1.25	1.94
Quick Liquidity Ratio	(times)	0.66	1.25	1.94
Cash flow Liquidity Ratio	(times)	0.63	0.77	(0.13)
Receivables Turnover Ratio	(times)	3.50	2.84	3.26
Average Collection Period	(days)	102.94	126.93	110.27
Accounts Payable Turnover Ratio	(times)	1.96	29.09	31.57
Average Payment Period	(days)	184.06	12.38	11.40
PROFITABILITY RATIOS				
Gross Profit Margin (%)	(%)	(38.16)	(38.06)	(37.77)
Operating Profit Margin	(%)	(70.80)	(120.58)	(92.23)
Net Profit (Loss) Margin (%)	(%)	(68.77)	(85.83)	(169.63)
Return on Equity (%)	(%)	(121.82)	(58.39)	(140.75)
EFFICIENCY RATIOS				
Return on Assets	(%)	(32.12)	(30.05)	(80.25)
Assets Turnover Ratio	(times)	0.47	0.32	0.47
FINANCIAL POLICY ANALYSIS RATIO				
Debt to Equity Ratio	(times)	7.18	1.73	0.82
Interest Coverage Ratio	(times)	(3,923.87)	(8,576.88)	(1,037.02)
Dividend Payout Ratio	(%)	-	-	-
DETAILS PER SHARE				
Book Value per Share (Weighted)	(Baht)	0.01	0.05	0.11
Net Profit (Loss) per Share (Weighted)	(Baht)	0.04	0.04	(0.13)

Explanation and Analysis on Financial Position and Operating Results

Overview of Previous Operating Results

In December, 2012, the Company was granted the right to use the billboards at the bus shelters of Bangkok in 3 projects. On 1st December, 2012, The Company was notified by the Traffic and Transportation Office of Bangkok according to the letter No. 1605/1273 dated 19th August, 2013, requesting the Company to suspend the installation of billboards according to all contracts until the letter was issued for proceeding. The Company asked for suspending the debt payment for the monthly royalties and annual remunerations to be paid to Bangkok following the ratio of the billboards which were not installed by the Company and had to be suspended by the order of Bangkok causing the Company not to pay some part of the monthly royalties from September 2013, to February 2016, in the total amount of 240.98 million baht and the fee for the right in the 2nd and the 3rd years in the amount of 25.61 million baht which Bangkok had the written notice on such fines. The Company had to be fined in the rate of 0.1 percent per day after the due date as stated in the contract until the payment was complete. The Company recorded the fine for the unpaid royalties accrued in the consolidated statement of income for the year ending 31st December, 2016, in the total amount of 133.09 million baht (2015: 98.31 million baht, 2014: 45.46 million baht, 2014: 3.72 million baht). Including record fines accrued rights of 280.49 million bath as on 31 December 2016.

On 7 April 2015, the Company sued Bangkok Metropolitan Administration in the civil court and claimed for the reimbursement caused by the breach of agreement due to the delivery of inoperative bus shelters and bus shelter advertisements in the amount of Baht 388.97 million including the interest rate of 7.50% per year of the principal calculated from the sued date until the outstanding amount is fully paid. However, On 25 March 2016, the Central Administrative Court agreed to accept the litigation from the Civil Court. Currently, the case is under consideration by the Central Administrative Court. To date of this report, the ultimate outcome of this case cannot presently be determined.

In addition, on 16 February 2016, the Company made a litigation claim against the Bangkok Metropolitan Administration ("BMA") to the Central Administrative Court in respect of the BMA's authorisation to discontinue an installation of all advertising billboards in accordance with the contracts group A and group C dated on 16 August 2013 with total claims of Baht 965.84 million. On 3 May 2016, the Central Administrative Court accepted for the litigation claims totaling Baht 578.07 million together with interest at the rate of 7.50% per annum calculated from the filing date until completion of the settlement. Currently, the case is under consideration by the Central Administrative Court. To date of this report, the ultimate outcome of this case cannot presently be determined. In addition, the Company is in the process to file an appeal against the rejected requests for waive of penalties and leasehold rights payable.

On 23 June 2015, the Company submitted the letter to Bangkok Metropolitan Administration to terminate the advertisement installation project agreements for Group A and Group C. These two agreements shall be promptly and effectively terminated. The administrative section then reserved the leasehold impairment for the both agreements including the leasehold of the remaining agreement (Group 691). The impairment of the three agreements was reserved in the amount of Baht 323.55 million.

At the end of 2015, the Company obtained the leasehold from CP All PCL for the installations of DTC (Direct to Customer) advertisements in front of over 8,500 branches of 7-Eleven nationwide. Each advertisement should last for 3 years whereas the leasehold could be renewed for further three years.

On 22 March 2016, the Company received a letter no. Kor Tor 1605/237 from the Traffic and Transportation Department, Bangkok Metropolitan Administration to terminate the contract no. Sor Jor Sor 4/2556, group A and contract no. Sor Jor Sor 5/2556, group C in relation to installation of advertising billboards. However, the Traffic and Transportation Department has still requested for all entitlements on penalties and compensations from the Company in accordance with the legal terms of contracts. The Company stopped recording the monthly leasehold right fees since March 2016 onwards. On 10 January 2017, the Company received a letter no. Kor Tor 1605/26 from the Traffic and Transportation Department, Bangkok Metropolitan Administration in respect of proposal for settlement of the disputes as to the cancellation of the right given to a private company for maintenance of bus stop stations under group A and C as follows;

- 1) The Company has to complete the construction of bus stops in accordance with the contractual agreement i.e. Group A: 283 unit and Group C : 277 unit.
- 2) Leasehold right payable calculated in accordance with the existed and usable bus stops stations for the period from July 2015 to December 2015 totaling Baht 31.80 million.

At the moment, such matter is pending consideration of the company's management which has not submitted a response to the BMA's proposal.

The company recorded the royalty fee and the accrued penalty on royalty payment on the rental rights of Project A and C in the Profit & Loss Statements for the period ending 31 December 2016 totaling 156.97 million baht and recorded the accrued penalty fee on the rental rights until 31 December 2016 in the financial position statements totaling 521.47 million baht.

And during 2017, the company installed the DTC posters (Direct to Customer) in front of 7-Eleven convenience stores totaling 1,806 places in Bangkok and shall continue to do so in future.

In 2017, the Company totally earned the revenues from the services in the amount of Baht 376.39 million with the net loss of Baht 258.86 million and the decreased loss of Baht 22.58 million. In 2016, the total revenues from the services were 327.89 million while the net loss was 281.44 million and the operating loss increased Baht 448.29 million. In 2015, the total revenues from the services and the net loss were Baht 430.19 million and Baht 729.73 million, respectively.

Previous Operating Results of Each Business Group

1.) Revenue

The group generated revenues in 2017 of 376.39 million baht, a decline of 48.49 million baht or 14.79% from 327.90 million baht in 2016 which included revenues from advertising media out of home or out of home advertising (OOH) consisting of advertising posters in Bangkok and upcountry and revenues from public relation media that increased by 102.29 million baht or 23.77% from

2015's 430.19 million baht.

Revenue by nature of services from 2015 – 2017 can be classified as following:

Type of Business	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from Bangkok Bus Shelter Advertisement Project	159.04	59.91	196.45	59.91	309.97	72.06
2. Revenue from advertisement boards in upcountry.	30.38	10.51	34.45	10.51	49.75	11.56
3. Revenue from Advertising Media & Public Relations Services.	35.88	10.42	39.86	10.42	69.79	16.22
4. Revenue from Organizing Public Relation Projects	70.24	0.00	0.00	0.00	0.00	0.00
5. Revenue from Advertising DTC	80.85	17.43	57.14	17.43	0.68	0.16
Total	376.39	100.00	327.90	100.00	430.19	100.00

1.1) Revenue from Bangkok Bus Shelter Advertisement. Project A the beginning of December 2012, the Company given the right to vote for a long term concession of 3 projects of Bangkok Metropolitan Administration. Firstly, the Company was granted the right to take care and maintain 546 bus shelters in Group A with the concession period of 9 years. Secondly, the Company was granted the right to take care and maintain 538 bus shelters in Group C with the concession period of 9 years. And lastly, the Company was granted the right to improve, maintain, and install advertising signs at 691 bus shelters (Group D) with the concession period of 6 years. In 2015 the Company gained income of 3099.97 million baht from bus shelter ads, equivalent to 70.06%, and gained 309.97 million baht, equivalent to 59.91% in 2016, while in 2017 the Company gained income of 159.04 million baht, equivalent to 42.25% due to the company canceled the project.

1.2) Revenue from advertisement boards in upcountry. The company focused on poster business, as such, it had expanded business by purchasing royalty rights of public relation posters in the city of Chiangmai. The company earned revenues from public relation advertising in the provinces, for example, Pattaya, Chiangmai, Chonburi, Khon Kaen, Ubonratchathani, Chiangrai, Had Yai. In 2015, the revenue from this segment was 49.75 million baht, or 11.56% of total revenues, in 2016, 34.45 million baht or 10.51% and in 2017, 30.38 million baht or 8.07% of total revenues.

1.3) Revenue from Advertising Media and Public Relations Services. The company earned revenues from rendering public relation media services from 2014 to 2016 of 16.22%, 10.42% and 9.53% of total revenues respectively.

1.4) Revenue from Public Relations Project. Due to abnormal political situation, the company had reduced activities involving state agencies and enterprises. Revenues from public relation projects started in 2017 totaling 70.24 million baht or 18.66% of total revenues.

1.5) Revenue from Advertising DTC. The company installed DTC posters (Direct to Customers) in front of 7-Eleven convenience stores of up to 1,300 posters and began to recognize higher revenues during 2017.

2.) Service Cost

Cost of services in 2015 to 2017 totaled 592.68 million baht, 452.69 million baht and 512.49 million baht respectively.

In 2015, the company recorded royalty rights to advertising posters from the BMA even though the latter partially restrained the installation of the advertising poster. The company installed posters and constructed commuter resting area in line with the agreement which did not come under the restraining order by the BMA and recorded related expenses that increased during the year. Moreover, the company had installed additional advertising posters in provinces giving rise to higher costs. In 2017, the cost for installing DTC posters in front of 7-Eleven convenience stores began to be recorded. All in all, the company installed 1,806 posters in 2017.

Cost of services in the past three years beginning from 2015 to 2017 continued to remain high as explained above, totaling 137.77%, 137.06% and 136.16% of revenues respectively.

3.) Service and Administrative Expenses

When considering the expense in service provision and management, it was found that in 2015, it was 209.67 million baht.

In 2016, it was 248.97 million baht. In 2017, it was 108.06 million baht. The amount equaled to 48.74 percent of total revenues in 2015, equaled to 75.93 percent of total revenues in 2016, and equaled to 28.71 percent of total revenues in 2017. When considering the expense in service provision and management in 2015, it was found that the amount was higher compared to 2014.

Cost management in late 2013, Bangkok requested the Company to suspend the installation of billboards according to the contract. The Company asked for suspending the debt payment for the monthly royalties and annual remunerations to be paid to Bangkok following the ratio of the billboards which were not installed by the Company and had to be suspended by the order of Bangkok causing the Company not to pay some part of the monthly royalties from September, 2013, to December, 2015, and the annual royalties in the amount of 217.14 million baht. In 2016, the Company recorded the fine for the unpaid royalties to Bangkok in the amount of 133.09 million baht. In 2015 fine the amount 98.31 million baht.

4.) Financial Cost

In 2015, the interest paid for the loan from financial institutions still remained. Until mid-year, the money was paid to financial institutions causing the interest to amount 0.03 million baht. In 2016, the interest was 0.05 million baht. In 2017, the interest was 0.09 million baht.

5.) Net Profit

In 2017, the Company had incurred the net loss in the amount of 258.86 million baht. The net loss decreased 22.58 million bath or calculated as 8.02 percent compared to the year 2016, which had incurred net loss in the amount of 281.44 million baht or calculated as 61.43 percent compared to the 2015, which had incurred net loss in the amount of 729.73 million baht.

FINANCIAL POSITIONS ANALYSIS

ASSETS

As the company's business is the service business, most of the company's assets are current assets which are cash and cash equivalents, accounts receivable, and accrued income. The Company's total assets at the end of 2015 to the end of 2017 amounted 1,133.57 million baht, 932.14 million baht, and 679.89 million baht,

In 2016, the value of total assets of the group of companies decreased from the previous year due to the decrease of cash and cash equivalents and also the temporary investment.

In 2015, the value of total assets of the group of companies increased from the previous year due to the increase of cash and cash equivalents and also the temporary investment.

1.1) Current assets

Most of the company's current assets include accounts receivables and accrued income, as well as other receivables accounted for 85.56 per cent of the total assets at the end of 2017, 77.42 per cent of the total assets at the end of 2016, and 55.49 per cent of the total assets at end of 2015.

• Cash and cash equivalents

The Company's cash and cash equivalents were 457.23 million baht at the end of 2015. They increased to 150.43 million baht at the end of 2016 and decreased to 206.87 million baht at the end of 2017.

The cash and cash equivalents were mostly the cash which was reserved by the Company for being the capital in the business operation. It was partly reserved for guaranteeing the financial amount in issuing the letter of guarantee (L / G) for guaranteeing the bids, Bail Bonds and Bonds for Portfolio to provide the services for the customers who were government agencies likely to increase following the economic expansion. It was also spent in the expansion in relevant business.

• Temporary investment

The Company's temporary investment in short-term corporate bonds increased Baht 53.17 million at the end of 2017 The amount was however decreased to Baht 252.60 million in 2016, respectively.

• Account receivables and accrued revenues

At the end of 2015, 2016, and 2017, the Company's account receivables and accrued revenues were Baht 130.33 million, Baht 81.49 million, and Baht 182.68 million, respectively. The Company earned more revenues with the prolonged payment period which could be observed from the end of 2015 to the end of 2017 where the average debt collection periods were 110.27 days, 126.93 days, and 102.94 days, respectively.

Details of the Company's Trade Account Receivables At the end of 2015 –2017 by age of debt. The table shows account receivables and accrued income	31 Dec 17		31 Dec 16		31 Dec 15	
	(Thousand Baht)	%	(Thousand Baht)	%	(Thousand Baht)	%
Note receivable	-	0.00	-	0.00	904.70	0.47
Trade account receivables not yet due	42,581.97	46.60	46,866.11	46.60	56,977.91	29.64
Over due						
- Not over 3 months	66,376.37	21.93	22,050.63	21.93	47,959.16	24.95
- Over 3 months but not over 6 months	12,238.53	1.12	1,123.50	1.12	5,802.74	3.02
- Over 6 months but not over 9 months	-	0.00	-	0.00	3,908.90	2.03
- Over 9 months	20,083.74	22.28	22,405.64	22.28	23,221.10	12.08
Total trade account receivables	141,280.61	91.92	92,445.88	91.92	138,774.52	72.19
Accrued revenue	60,482.73	8.08	8,122.88	8.08	53,462.14	27.81
Total trade account receivables and accrued revenue	201,763.34	100.00	100,568.76	100.00	192,236.66	100.00
Allowance for doubtful accounts	(19,083.29)	(18.98)	(19,083.29)	(18.98)	(61,908.58)	(32.20)
Net trade account receivables and note receivables	182,680.05	81.02	81,485.47	81.02	130,328.08	67.80

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.

In the case of customers making the service contract to provide monthly advertising media will have the period of customers correctly. Moreover, the contract of service provision defined the customers to make monthly payment or paying following the contract. The Company has the policy to collect the arrears since the first month. In the case of the high amount, there will be the term of advanced payment of more than 50%. The remaining amount will be collected at the completion of operation or upon expiry of 30 days of credit for guaranteeing and reducing the risk of not receiving the whole payment. Although most customers are new customers, the Company is also the company with stable business operations and in good financial position. Thus, the Company has no problems in billing service. The Company has adopted the policy of provision for doubtful allowance by considering each debtor who is expected not to pay.

The company has reserves 61.91 million baht for allowance for doubtful debts calculated as 47.50 per cent of the accounts receivables and accrued income as at the end of 2015 as a result of 2 account receivables; Public Relations Department and Net Tech Marketing Co., Ltd. It is the result of the provision since 2009. And in 2013, the provision for allowance for doubtful for account receivables increased by 14.37 million baht. The company had been assigned to undertake the project of "Street Soccer against Drugs" under the supervision of the Ministry of Finance. The operation of such project covered the production of advertising media, radio programs, television, outdoor and online media (Website) as well as the publicizing published materials produced by this media. This included the implementation of project with the opening and closing ceremonies. The Company had completed the work as ordered and had submitted the work completely. However, the Company had not been paid for the aforementioned accrued income. Moreover, the Company also planned to make the litigation in the short time. The company had the provision for the allowance for doubtful accounts for account receivable balance in the full amount of 14.00 million baht. In 2014, and in 2015 the Company had considered the account receivables and accrued income individually and they were expected to receive the payment. Therefore, no allowance for doubtful accounts was set.

Accrued income in 2017 totaled 60.44 million baht, a decline of 52.36% from 2016's 8.12 million baht. Meanwhile, provision against doubtful debt in 2017 of 19.08 million baht in 2015's 61.91 million baht due to the reduction of accrued income from the Public Relations Department (PRD) of 42.10 million baht when the Supreme Court ruled against the PRD and ordered it to pay 23.66 million baht together with interest at 7.5% p.a. to the company which has already received the monies. In this connection, the company reversed the provision for doubtful debt of 24.86 million baht and recorded interest income of 15.76 million baht. The company further eliminated the remaining provision against doubtful debt as a result of the court ruling totaling 17.24 million baht.

1.2) Non-Current Assets

The non-current assets of the company mainly consist of building improvements and net equipment in the proportion of 4.64 per cent, 6.65 per cent and 9.71 per cent of total assets from the end of 2015 to the end of 2017, respectively. The leasehold was in the proportion of 1.78 per cent, 12.20 per cent, and 22.27 per cent of total assets from the end of 2015 to 2017.

• Building improvements and net equipment

The company group is principally engaged in the projects entitled in creating the advertising billboards at the bus shelters from Bangkok and giving the consultation as well as planning for public relations and all kinds of advertising media. This is the service with some investment in the fixed assets. The investment in fixed assets of the Company was mainly in purchasing vehicles, office supplies, and the improvement of office space. The Company had the building improvements and net equipment equaled to 20.22 million baht at the end of 2015, 113.73 million baht at the end of 2016, and 151.38 million baht at the end of 2017.

• Leasehold

The value of rental rights equaled 3.77% of total assets in 2015, 1.15% in 2016 and 1.57% in 2017. The higher value of the rental rights is in line with the agreement i.e. the rights connected with the public relation advertising project at commuter resting area from the BMA and the purchase of the rights to the public relation advertising in the city of Chiangmai. It may be noted the high value of the rental rights in 2014 was in line with the agreement per the public relation advertising project at commuter resting area awarded by the BMA. In addition, there were higher rental rights and installation of public relation advertising in the provinces. As regards the rights to install public relation advertising in the city of Chiangmai, there was a change in the agreement and the company recorded impairment of the rental rights in Chiangmai of 49.35 million baht in 2015, a decline due to the provision set up for impairment of rental rights of the advertising poster project with the BMA of 323.68 million baht.

LIQUIDITY

The Company had more liquidity in the operation from the end of 2015 to the end of 2017. The Company had the ratio of liquidity equaled to 1.94 time, 1.25 times, and 0.66 times, respectively. The ratio of liquidity was 1.94 time, 1.25 time, and 0.66 times, respectively.

Cash Flow

In 2015, the company recorded a decline in net cash position of 359.63 million baht but had a gain of 150.89 million baht in 2016 and another gain of 206.87 million baht in 2016.

In 2015, net cash from operations totaled 49.93 million baht but in 2016, net cash position used in operations totaled 443.21 million baht and in 2017 net cash position sourced from operations totaled 365.29 million baht.

In 2015, the company had cash from investment activities of 526.69 million baht. In 2016, cash used in investment activities totaled 291.99 million baht while 159.06 million baht was used for investment activities in 2017. During 2015-2017, the majority of investment activities involved projects offering rights to private contractors to improve and install advertising posters at commuter resting areas in Bangkok awarded by the BMA.

In 2014, cash from financing activities totaled 360.86 million baht i.e. available from capital increase and in exercising the warrants to buy common shares. In 2015, cash sourced from financing activities totaled 936.26 million baht i.e. available from capital increase and in exercising the rights to buy common shares. In 2016, cash used in financing activities totaled 0.38 million baht i.e. to repay debts per a financial

Ability to pay interest and ability to repay the obligations

The Company had never used the loans from financial institutions except for a small overdraft as appropriate during the short period of time and only the liabilities from the lease of cars and office supplies. As a result, the ability to pay the interest reduced. Moreover, the company also suffered the heavy loss and the Company's ratio in the payment ability of interest was (1,037.02) times in 2015, equaled to (8,576.88) times in 2016 and equaled to (3,923.87) times in 2017.

SOURCES OF FUND

The fund structure of the Company in 2015 was from the capital increase of the Company at the Extraordinary General Meeting of Shareholders No. 2/2015 held on 6nd January, 2015, approved a capital increase of 450.45 million baht to 655.02 million bath including the use of warrants to purchase ordinary shares.

In 2016, the company without a capital increase. The ratio of debt to equity was 0.82 times, 1.73 times and 7.18 times at the end of 2015 to 2017 respectively.

At the Company's directors meeting on 28 February 2017 approved to propose to the shareholders' meeting for approval of issuing and offering the Warrants to purchase ordinary shares of the Company No.4 (TSF-W4) for the amount of not exceeding 639,596,668 units to the existing shareholders by way of rights offering at the ratio of 8 ordinary shares : 1 unit of Warrant, at the offering price of 0 Baht (Zero Baht). The Warrants will be mature in 2 years after issuance date. The exercise price of the Warrants equals 0.70 Baht per share.

Equity of shareholders

The company's total equity as of end of 2015 totaled 622 million baht, a reduction of 207.04 million baht whereas at end of 2016 totaled 341.93 million baht, an increase of 280.07 million baht and in 2017 totaled 83.07 million baht, a decline of 258.86 million baht. The major reasons for the losses during 2015-2017 could be attributed to the recording of royalty and accrued penalty payment of the projects under Group A and C totaling 521.46 million baht which remains as a legal dispute with the BMA and not yet finalized. In 2015, there was another capital increase per the extraordinary shareholder meeting no. 2/2014 on 6 January 2015 approving the increase in capital from 450.45 million baht to 655.02 million baht and the exercising of warrants to buy common shares. Note that the extraordinary shareholder meeting no. 1/2015 on 29 April 2015 approved to eliminate the retained losses for the year ending 31 December 2015 totaling 884.66 million baht together with the share premium.

Liabilities

The company has total liabilities as of end of 2015 to 2017 totaling 511.37 million baht, 590.21 million baht and 592.82 million baht respectively.

The majority of the liabilities consists of royalty on the rights to rent advertising posters and accrued penalty on royalty payments to the BMA where the company exercised its rights to refuse payment for the portion affected by the restraining orders to install advertising posters imposed by the BMA. In 2017, the value on the rights to rent advertising and accrued penalty on royalty payment increased to 521.46 million baht or 87.37% of total liabilities. The majority of the remainders consist of trade creditors and accrued unpaid expenses. In 2016, the rights to rent advertising posters and accrued penalty on royalty payments totaled 521.46 million baht or 88.35% of total liabilities whereas in 2015 the figure was 364.50 million baht or 70.28% of total liabilities.

On 7 April 2015, the Company sued Bangkok Metropolitan Administration in the civil court and claimed for the reimbursement caused by the breach of agreement due to the delivery of inoperative bus shelters and bus shelter advertisements in the amount of Baht 388.97 million including the interest rate of 7.50% per year of the principal calculated from the sued date until the outstanding amount is fully paid. However, On 25 March 2016, the Central Administrative Court agreed to accept the litigation from the Civil Court. Currently, the case is under consideration by the Central Administrative Court. To date of this report, the ultimate outcome of this case cannot presently be determined.

In addition, on 16 February 2016, the Company made a litigation claim against the Bangkok Metropolitan Administration ("BMA") to the Central Administrative Court in respect of the BMA's authorisation to discontinue an installation of all advertising billboards in accordance with the contracts group A and group C dated on 16 August 2013 with total claims of Baht 965.84 million. On 3 May 2016, the Central Administrative Court accepted for the litigation claims totaling Baht 578.07 million together with interest at the rate of 7.50% per annum calculated from the filing date until completion of the settlement. Currently, the case is under consideration by the Central Administrative Court. To date of this report, the ultimate outcome of this case cannot presently be determined. In addition, the Company is in the process to file an appeal against the rejected requests for waive of penalties and leasehold rights payable.

On 23 June 2015, the Company submitted the letter to Bangkok Metropolitan Administration to terminate the advertisement installation project agreements for Group A and Group C. These two agreements shall be promptly and effectively terminated. The administrative section then reserved the leasehold impairment for the both agreements including the leasehold of the remaining agreement (Group 691). The impairment of the three agreements was reserved in the amount of Baht 323.55 million.

At the end of 2015, the Company obtained the leasehold from CP All PCL for the installations of DTC (Direct to Customer) advertisements in front of over 8,500 branches of 7-Eleven nationwide. Each advertisement should last for 3 years whereas the leasehold could be renewed for further three years.

On 22 March 2016, the Company received a letter no. Kor Tor 1605/237 from the Traffic and Transportation Department, Bangkok Metropolitan Administration to terminate the contract no. Sor Jor Sor 4/2556, group A and contract no. Sor Jor Sor 5/2556, group C in relation to installation of advertising billboards. However, the Traffic and Transportation Department has still requested for all entitlements on penalties and compensations from the Company in accordance with the legal terms of contracts. The Company stopped recording the monthly leasehold right fees since March 2016 onwards. On 10 January 2017, the Company received a letter no. Kor Tor 1605/26 from the Traffic and Transportation Department, Bangkok Metropolitan Administration in respect of proposal for settlement of the disputes as to the cancellation of the right given to a private company for maintenance of bus stop stations under group A and C as follows;

- 1) The Company has to complete the construction of bus stops in accordance with the contractual agreement i.e. Group A: 283 unit and Group C : 277 unit.
- 2) Leasehold right payable calculated in accordance with the existed and usable bus stops stations for the period from July 2015 to December 2015 totaling Baht 31.80 million.

At the moment, such matter is pending consideration of the company's management which has not submitted a response to the BMA's proposal.

The company recorded the royalty fee and the accrued penalty on royalty payment on the rental rights of Project A and C in the Profit & Loss Statements for the period ending 31 December 2016 totaling 156.97 million baht and recorded the accrued penalty fee on the rental rights until 31 December 2016 in the financial position statements totaling 521.47 million baht.

And during 2017, the company installed the DTC posters (Direct to Customer) in front of 7-Eleven convenience stores totaling 1,806 places in Bangkok and shall continue to do so in future.

In 2017, the Company totally earned the revenues from the services in the amount of Baht 376.39 million with the net loss of Baht 258.86 million and the decreased loss of Baht 22.58 million. In 2016, the total revenues from the services were 327.89 million while the net loss was 281.44 million and the operating loss increased Baht 448.29 million. In 2015, the total revenues from the services and the net loss were Baht 430.19 million and Baht 729.73 million, respectively.

Previous Operating Results of Each Business Group

1.) Revenue

The group generated revenues in 2017 of 376.39 million baht, a decline of 48.49 million baht or 14.79% from 327.90 million baht in 2016 which included revenues from advertising media out of home or out of home advertising (OOH) consisting of advertising posters in Bangkok and upcountry and revenues from public relation media that increased by 102.29 million baht or 23.77% from

2015's 430.19 million baht.

Revenue by nature of services from 2015 – 2017 can be classified as following:

Type of Business	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from Bangkok Bus Shelter Advertisement Project	159.04	59.91	196.45	59.91	309.97	72.06
2. Revenue from advertisement boards in upcountry.	30.38	10.51	34.45	10.51	49.75	11.56
3. Revenue from Advertising Media & Public Relations Services.	35.88	10.42	39.86	10.42	69.79	16.22
4. Revenue from Organizing Public Relation Projects	70.24	0.00	0.00	0.00	0.00	0.00
5. Revenue from Advertising DTC	80.85	17.43	57.14	17.43	0.68	0.16
Total	376.39	100.00	327.90	100.00	430.19	100.00

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- Over 9 months	20,083.74	22.28	22,405.64	22.28	23,221.10	12.08
Total trade account receivables	141,280.61	91.92	92,445.88	91.92	138,774.52	72.19
Accrued revenue	60,482.73	8.08	8,122.88	8.08	53,462.14	27.81
Total trade account receivables and accrued revenue	201,763.34	100.00	100,568.76	100.00	192,236.66	100.00
Allowance for doubtful accounts	(19,083.29)	(18.98)	(19,083.29)	(18.98)	(61,908.58)	(32.20)
Net trade account receivables and note receivables	182,680.05	81.02	81,485.47	81.02	130,328.08	67.80

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.

In the case of customers making the service contract to provide monthly advertising media will have the period of customers correctly. Moreover, the contract of service provision defined the customers to make monthly payment or paying following the contract. The Company has the policy to collect the arrears since the first month. In the case of the high amount, there will be the term of advanced payment of more than 50%. The remaining amount will be collected at the completion of operation or upon expiry of 30 days of credit for guaranteeing and reducing the risk of not receiving the whole payment. Although most customers are new customers, the Company is also the company with stable business operations and in good financial position. Thus, the Company has no problems in billing service. The Company has adopted the policy of provision for doubtful allowance by considering each debtor who is expected not to pay.

The company has reserves 61.91 million baht for allowance for doubtful debts calculated as 47.50 per cent of the accounts receivables and accrued income as at the end of 2015 as a result of 2 account receivables; Public Relations Department and Net Tech Marketing Co., Ltd. It is the result of the provision since 2009. And in 2013, the provision for allowance for doubtful for account receivables increased by 14.37 million baht. The company had been assigned to undertake the project of "Street Soccer against Drugs" under the supervision of the Ministry of Finance. The operation of such project covered the production of advertising media, radio programs, television, outdoor and online media (Website) as well as the publicizing published materials produced by this media. This included the implementation of project with the opening and closing ceremonies. The Company had completed the work as ordered and had submitted the work completely. However, the Company had not been paid for the aforementioned accrued income. Moreover, the Company also planned to make the litigation in the short time. The company had the provision for the allowance for doubtful accounts for account receivable balance in the full amount of 14.00 million baht. In 2014, and in 2015 the Company had considered the account receivables and accrued income individually and they were expected to receive the payment. Therefore, no allowance for doubtful accounts was set.

Accrued income in 2017 totaled 60.44 million baht, a decline of 52.36% from 2016's 8.12 million baht. Meanwhile, provision against doubtful debt in 2017 of 19.08 million baht in 2015's 61.91 million baht due to the reduction of accrued income from the Public Relations Department (PRD) of 42.10 million baht when the Supreme Court ruled against the PRD and ordered it to pay 23.66 million baht together with interest at 7.5% p.a. to the company which has already received the monies. In this connection, the company reversed the provision for doubtful debt of 24.86 million baht and recorded interest income of 15.76 million baht. The com-

pany further eliminated the remaining provision against doubtful debt as a result of the court ruling totaling 17.24 million baht.

1.2) Non-Current Assets

The non-current assets of the company mainly consist of building improvements and net equipment in the proportion of 4.64 per cent, 6.65 per cent and 9.71 per cent of total assets from the end of 2015 to the end of 2017, respectively. The leasehold was in the proportion of 1.78 per cent, 12.20 per cent, and 22.27 per cent of total assets from the end of 2015 to 2017.

• Building improvements and net equipment

The company group is principally engaged in the projects entitled in creating the advertising billboards at the bus shelters from Bangkok and giving the consultation as well as planning for public relations and all kinds of advertising media. This is the service with some investment in the fixed assets. The investment in fixed assets of the Company was mainly in purchasing vehicles, office supplies, and the improvement of office space. The Company had the building improvements and net equipment equaled to 20.22 million baht at the end of 2015, 113.73 million baht at the end of 2016, and 151.38 million baht at the end of 2017.

• Leasehold

The value of rental rights equaled 3.77% of total assets in 2015, 1.15% in 2016 and 1.57% in 2017. The higher value of the rental rights is in line with the agreement i.e. the rights connected with the public relation advertising project at commuter resting area from the BMA and the purchase of the rights to the public relation advertising in the city of Chiangmai. It may be noted the high value of the rental rights in 2014 was in line with the agreement per the public relation advertising project at commuter resting area awarded by the BMA. In addition, there were higher rental rights and installation of public relation advertising in the provinces. As regards the rights to install public relation advertising in the city of Chiangmai, there was a change in the agreement and the company recorded impairment of the rental rights in Chiangmai of 49.35 million baht in 2015, a decline due to the provision set up for impairment of rental rights of the advertising poster project with the BMA of 323.68 million baht.

LIQUIDITY

The Company had more liquidity in the operation from the end of 2015 to the end of 2017. The Company had the ratio of liquidity equaled to 1.94 time, 1.25 times, and 0.66 times, respectively. The ratio of liquidity was 1.94 time, 1.25 time, and 0.66 times, respectively.

Cash Flow

In 2015, the company recorded a decline in net cash position of 359.63 million baht but had a gain of 150.89 million baht in 2016 and another gain of 206.87 million baht in 2016.

In 2015, net cash from operations totaled 49.93 million baht but in 2016, net cash position used in operations totaled 443.21 million baht and in 2017 net cash position sourced from operations totaled 365.29 million baht.

In 2015, the company had cash from investment activities of 526.69 million baht. In 2016, cash used in investment activities totaled 291.99 million baht while 159.06 million baht was used for investment activities in 2017. During 2015-2017, the majority of investment activities involved projects offering rights to private contractors to improve and install advertising posters at commuter resting areas in Bangkok awarded by the BMA.

In 2014, cash from financing activities totaled 360.86 million baht i.e. available from capital increase and in exercising the warrants to buy common shares. In 2015, cash sourced from financing activities totaled 936.26 million baht i.e. available from capital increase and in exercising the rights to buy common shares. In 2016, cash used in financing activities totaled 0.38 million baht i.e. to repay debts per a financial

Ability to pay interest and ability to repay the obligations

The Company had never used the loans from financial institutions except for a small overdraft as appropriate during the short period of time and only the liabilities from the lease of cars and office supplies. As a result, the ability to pay the interest reduced. Moreover, the company also suffered the heavy loss and the Company's ratio in the payment ability of interest was (1,037.02) times in 2015, equaled to (8,576.88) times in 2016 and equaled to (3,923.87) times in 2017.

SOURCES OF FUND

The fund structure of the Company in 2015 was from the capital increase of the Company at the Extraordinary General Meeting of Shareholders No. 2/2015 held on 6nd January, 2015, approved a capital increase of 450.45 million baht to 655.02 million bath including the use of warrants to purchase ordinary shares.

In 2016, the company without a capital increase. The ratio of debt to equity was 0.82 times, 1.73 times and 7.18 times at the end of 2015 to 2017 respectively.

At the Company's directors meeting on 28 February 2017 approved to propose to the shareholders' meeting for approval of issuing and offering the Warrants to purchase ordinary shares of the Company No.4 (TSF-W4) for the amount of not exceeding 639,596,668 units to the existing shareholders by way of rights offering at the ratio of 8 ordinary shares : 1 unit of Warrant, at the offering price of 0 Baht (Zero Baht). The Warrants will be mature in 2 years after issuance date. The exercise price of the Warrants equals 0.70 Baht per share.

Equity of shareholders

The company's total equity as of end of 2015 totaled 622 million baht, a reduction of 207.04 million baht whereas at end of 2016 totaled 341.93 million baht, an increase of 280.07 million baht and in 2017 totaled 83.07 million baht, a decline of 258.86 million baht. The major reasons for the losses during 2015-2017 could be attributed to the recording of royalty and accrued penalty payment of the projects under Group A and C totaling 521.46 million baht which remains as a legal dispute with the BMA and not yet finalized. In 2015, there was another capital increase per the extraordinary shareholder meeting no. 2/2014 on 6 January 2015 approving the increase in capital from 450.45 million baht to 655.02 million baht and the exercising of warrants to buy common shares. Note that the extraordinary shareholder meeting no. 1/2015 on 29 April 2015 approved to eliminate the retained losses for the year ending 31 December 2015 totaling 884.66 million baht together with the share premium.

Liabilities

The company has total liabilities as of end of 2015 to 2017 totaling 511.37 million baht, 590.21 million baht and 592.82 million baht respectively.

The majority of the liabilities consists of royalty on the rights to rent advertising posters and accrued penalty on royalty payments to the BMA where the company exercised its rights to refuse payment for the portion affected by the restraining orders to install advertising posters imposed by the BMA. In 2017, the value on the rights to rent advertising and accrued penalty on royalty payment increased to 521.46 million baht or 87.37% of total liabilities. The majority of the remainders consist of trade creditors and accrued unpaid expenses. In 2016, the rights to rent advertising posters and accrued penalty on royalty payments totaled 521.46 million baht or 88.35% of total liabilities whereas in 2015 the figure was 364.50 million baht or 70.28% of total liabilities.

**Three Sixty Five Public Company Limited
and its Subsidiaries**

**Financial Statements
31 December 2017**

Auditor's Report
To the Shareholders and the Board of Directors of
Three Sixty Five Public Company Limited

Opinion

I have audited the consolidated and company financial statements of Three Sixty Five Public Company Limited and its subsidiaries (the Group) and of Three Sixty Five Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2017, and the consolidated and company statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and company financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and company financial statements present fairly, in all material respects, the consolidated and company financial position of Three Sixty Five Public Company Limited and its subsidiaries (the Group) and of Three Sixty Five Public Company Limited as at 31 December 2017, and its consolidated and company financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Legal Disputes with Bangkok Metropolitan Administration

As at 31 December 2017, the Company has legal disputes with Bangkok Metropolitan Administration ("BMA") in respect of non-payment of leasehold right payable plus penalties under contract no. Sor Jor Sor 4/2556 group A and Sor Jor Sor 5/2556 group C. The Company has made a litigation claims against BMA with the Central Administrative Court in respect of providing of city bus stations and billboards which were not ready for commercial business to the Company with total claims of Baht 388.97 million together with interest at the rate of 7.5% per annum calculated from the filing date until completion of the settlement. In addition, on 16 February 2016, the Company made a litigation claim with the Court in respect of the opportunity cost totaling Baht 578.07 million together with interest at the rate of 7.5% per annum calculated from the filing date until completion of the settlement. On 22 March 2016, BMA has terminated boths contractual of management of city bus terminal and on 29 November 2017, BMA has filed a lawsuit claim against the Company regarding to not fulfilling the terms of contracts to request claim for damage incurred and penalties and interest charge at the rate of 7.5% per annum with total claims of Baht 1,123.15 million. To date of this report, the cases are presently under the consideration of the Central Administration Court which the ultimate outcome cannot be determined. The significant informations of litigation disputes was stated in note 16 and note 32 to the financial statements. The aforementioned matter is significant to the financial statements; therefore, I have determined as a key audit matter.

How my audit addressed the key audit matter

- I have examined appropriateness for assessment of the Company's management to conclusions in respect of the litigation disputes.
- I have attended a meeting with the Company's management, the Company's external legal advisor and the legal advisor of the auditor regarding to the process for consideration of disputes.
- Investigate the progress of litigation disputes subsequent to year ended.
- Reviewed a lawyer confirmation letter with respect to the lawsuit case and also reviewed the legal opinion provided by the external legal counsels of the Company as to the management's evaluations.
- I considered the sufficient disclosure of information in accordance with Thai Financial Reporting Standard.

Impairment of Leashold Right and Billboards

The Company has several leasehold rights and billboards as discussed in note 14 and note 16 to financial statements, as at 31 December 2017 the Group has leasehold rights and billboards of Baht 434.05 million (net of accumulated depreciation and amortization), which was already impaired against allowance for impairment of leasehold rights of Baht 288.19 million. The process of determining of impairment of leasehold right requires the use of judgement of the Company's management and relevant information of each leasehold rights and billboards such as the period of leasehold rights, type of customers for each leasehold rights, expected returns on leasehold rights managements and billboards. As such, there was a significant risk in respect of valuation of leasehold rights and billboards; therefore, I have determined the impairment of leasehold right and billboards as a key audit matter.

How my audit addressed the key audit matter

I verified the appropriateness of that results of assessment provided by the Company's management with respect to allowance for impairment of leasehold rights, considered the appropriateness of the relevant information from both external and internal sources that the Company's management used for consideration of usefulness of each leasehold rights and billboards, financial projections of the future operations and related assumptions applied over the useful lives of the leasehold rights. I also assessed the effect of other relevant factors as to using of judgement. In addition, I considered the adequacy of the disclosure of information of impairment of leasehold rights and billboards.

Other Matter

The consolidated and company financial statements for the year ended 31 December 2016 of Three Sixty Five Public Company Limited and its subsidiaries and of Three Sixty Five Public Company Limited, were audited by another auditor in the same firm as myself, whose report dated 28 February 2017 expressed an unqualified opinion on those statements.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order to those charged with governance responsibility to corrective execution a misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Company Financial Statements

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

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

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

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

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

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

Lehum Chinnapan
Certified Public Accountant (Thailand) No. 7306
RSM Audit Services (Thailand) Limited

Bangkok
27 February 2018

Three Sixty Five Public Company Limited and Its Subsidiaries
Statements of Financial Position
As at 31 December 2017

		(Unit : Baht)			
		Consolidated		The Company	
Notes		2017	2016	2017	2016
ASSETS					
CURRENT ASSETS					
Cash and cash equivalent	7	99,937,926	306,807,000	51,206,993	203,958,740
Current investments	8	53,171,281	305,767,171	51,171,281	303,743,218
Trade and other receivables - net	6 and 9	224,141,495	109,094,713	183,075,615	98,155,436
Other current assets	10	7,793,087	2,448,647	1,592,185	2,247,272
Total Current Assets		385,043,789	724,117,531	287,046,074	608,104,666
NON-CURRENT ASSETS					
Deposit at financial institution used as collateral	11	66,023,562	52,635,000	66,023,562	52,635,000
Investment in associate	12	671,353	-	-	-
Investments in subsidiaries	13	-	-	125,454,238	125,454,238
Leasehold improvement and equipment - net	14	151,377,961	113,735,756	146,040,165	107,423,307
Intangible asset - computer software - net	15	18,867,670	1,619,559	18,718,955	1,331,442
Leasehold rights - net	16	10,665,753	10,776,436	7,665,753	10,503,657
Other non-current assets	17	47,237,383	29,259,473	24,981,954	15,146,804
Total Non - Current Assets		294,843,682	208,026,224	388,884,627	312,494,448
Total Assets		679,887,471	932,143,755	675,930,701	920,599,114

The accompanying notes form an integral part of these financial statements

Three Sixty Five Public Company Limited and Its Subsidiaries
Statements of Financial Position
As at 31 December 2017

(Unit : Baht)					
		Consolidated		The Company	
Notes		2017	2016	2017	2016
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade and other payables	6 and 18	567,688,232	572,506,340	564,455,226	564,613,928
Current portion of finance lease payable	19	786,673	785,692	-	37,557
Value added tax payable		11,406,926	4,666,982	8,438,595	4,198,319
Other current liabilities		50,740	21,978	21,978	21,978
Total Current Liabilities		579,932,571	577,980,992	572,915,799	568,871,782
Non - Current Liabilities					
Finance leases payable - net	19	477,474	1,264,147	-	-
Employee benefit obligations	20	1,516,555	2,833,750	1,284,573	2,651,830
Other non-current liabilities	22	14,890,910	8,135,910	14,820,910	8,065,910
Total Non - Current Liabilities		16,884,939	12,233,807	16,105,483	10,717,740
Total Liabilities		596,817,510	590,214,799	589,021,282	579,589,522
SHAREHOLDERS' EQUITY					
Share capital					
Registered	24				
7,195,462,517 ordinary shares of Baht 0.10 each		719,546,252	-	719,546,252	-
6,550,292,655 ordinary shares of Baht 0.10 each		-	655,029,266	-	655,029,266
Issued and paid - up					
6,395,966,682 ordinary shares of Baht 0.10 each		639,596,668	639,596,668	639,596,668	639,596,668
Deficits		(556,526,707)	(297,667,712)	(552,687,249)	(298,587,076)
Total Shareholders' Equity		83,069,961	341,928,956	86,909,419	341,009,592
Total Liabilities and Shareholders' Equity		679,887,471	932,143,755	675,930,701	920,599,114

The accompanying notes form an integral part of these financial statements

Three Sixty Five Public Company Limited and Its Subsidiaries
Statements of Comprehensive Income
For the year ended 31 December 2017

(Unit : Baht)					
Notes	Consolidated		The Company		
	2017	2016	2017	2016	
Service incomes	6	376,394,383	327,896,660	322,091,743	300,652,490
Cost of services	6	(512,490,019)	(452,688,114)	(475,623,102)	(425,570,248)
Gross loss		(136,095,636)	(124,791,454)	(153,531,359)	(124,917,758)
Reverse of accrued cost	16	-	44,111,978	-	44,111,978
Reversal of doubtful debts	9	1,194,840	22,092,133	1,194,840	23,666,842
Gain on exchange rate		465,958	-	465,958	-
Gain (loss) on current investments	8	(556,070)	813,780	(556,070)	813,780
Gain on disposal of investment in associate	12	-	73,243	-	-
Revenue from recantation contract		-	10,725,000	-	-
Interest income		5,375,505	31,899,032	4,934,986	31,625,169
Other income	6	3,775,624	5,551,523	2,874,352	3,853,292
Service expenses		(53,570,512)	(44,127,534)	(37,151,725)	(37,163,540)
Administrative expenses	6	(54,487,878)	(204,842,151)	(56,577,300)	(203,448,369)
Management's remuneration	6	(22,334,346)	(21,617,498)	(15,746,521)	(16,039,998)
Share of loss from investment in associate	12	(1,728,647)	(13,056)	-	-
Finance costs		(91,516)	(51,726)	(7,334)	(5,533)
Loss before income tax expense		(258,052,678)	(280,176,730)	(254,100,173)	(277,504,137)
Income tax expense	21	(806,317)	(1,261,844)	-	-
Net Loss for the year		(258,858,995)	(281,438,574)	(254,100,173)	(277,504,137)
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of employee benefit obligations	20	-	1,369,148	-	-
Other comprehensive income for the year		-	1,369,148	-	-
Total comprehensive loss for the year		(258,858,995)	(280,069,426)	(254,100,173)	(277,504,137)
Net loss attributable to :					
Equity holders of the Parent		(258,858,995)	(281,438,574)	(254,100,173)	(277,504,137)
Non-controlling interest		-	-	-	-
Net loss for the year		(258,858,995)	(281,438,574)	(254,100,173)	(277,504,137)
Total comprehensive loss attributable to :					
Equity holders of the Parent		(258,858,995)	(280,069,426)	(254,100,173)	(277,504,137)
Non-controlling interest		-	-	-	-
Total comprehensive loss for the year		(258,858,995)	(280,069,426)	(254,100,173)	(277,504,137)
Loss per share					
Basic loss per share (Unit : Baht)	26	(0.0405)	(0.0440)	(0.0397)	(0.0434)

Three Sixty Five Public Company Limited and Its Subsidiaries
Statements of Changes in Shareholders' Equity
For the year ended 31 December 2017

(Unit : Baht)				
Consolidated				
Note	Issued and Paid-up Share Capital	Premiums on Share Capital	Deficits	Total
Balance as at 1 January 2016	639,596,668	707,895,397	(725,493,683)	621,998,382
Reduction of deficit against premium on share capital 23	-	(707,895,397)	707,895,397	-
Total comprehensive loss for the year	-	-	(280,069,426)	(280,069,426)
Balance as at 31 December 2016	639,596,668	-	(297,667,712)	341,928,956
Total comprehensive loss for the year	-	-	(258,858,995)	(258,858,995)
Balance as at 31 December 2017	639,596,668	-	(556,526,707)	83,069,961

Three Sixty Five Public Company Limited and Its Subsidiaries

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2017

		(Unit : Baht)			
		The Company			
		Issued and Paid-up	Premiums on		
	Note	Share Capital	Share Capital	Deficits	Total
Balance as at 1 January 2016		639,596,668	707,895,397	(728,978,336)	618,513,729
Reduction of deficit against premium on share capital	23	-	(707,895,397)	707,895,397	-
Total comprehensive loss for the year		-	-	(277,504,137)	(277,504,137)
Balance as at 31 December 2016		639,596,668	-	(298,587,076)	341,009,592
Total comprehensive loss for the year		-	-	(254,100,173)	(254,100,173)
Balance as at 31 December 2017		639,596,668	-	(552,687,249)	86,909,419

Three Sixty Five Public Company Limited and Its Subsidiaries
Statements of Cash Flows
For the year ended 31 December 2017

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
CASH FLOW FROM OPERATING ACTIVITIES				
Loss before income tax for the year	(258,052,678)	(280,176,730)	(254,100,173)	(277,504,137)
Adjustments to reconcile loss for the year to net cash provided by (used in) operating activities :				
Depreciation	27,084,921	6,428,541	25,701,628	5,158,510
Amortisation of intangible assets	784,159	474,881	682,487	363,722
Amortisation of leasehold right	3,460,683	265,793,217	2,837,904	252,463,637
Loss on disposal and written-off assets	1,277,831	1,901,539	454,253	1,144,133
Reversal of accrued costs	-	(44,111,978)	-	(44,111,978)
Reversal of doubtful debts	(1,194,840)	(22,092,133)	(1,194,840)	(23,666,842)
Employee benefit obligation	682,805	1,073,075	632,743	793,046
(Gain) loss on disposal of current investments	71,750	(706,050)	71,750	(706,050)
Unrealised (gain) loss on current investments	484,320	(107,730)	484,320	(107,730)
Unrealized gain on revaluation of cash equivalents	(240,327)	(1,676,805)	(240,327)	(1,676,805)
Gain on disposal of Investment in associate	-	(73,243)	-	-
Share of loss from investment in associate	1,728,647	13,056	-	-
Interest income	(5,375,505)	(33,609,341)	(4,934,986)	(31,625,169)
Interest expenses	91,516	51,726	7,334	5,533
Loss from operation before changes in operating assets and liabilities	(229,196,718)	(106,817,975)	(229,597,907)	(119,470,130)
Operating assets decrease (increase)				
Trade and other receivables	(108,481,879)	102,327,834	(78,596,783)	89,288,185
Other current assets	(1,084,440)	504,761	655,087	7,303
Other non-current assets	(18,054,629)	6,997,912	(9,835,150)	6,850,845
Operating liabilities increase (decrease)				
Trade and other payables	(7,048,151)	130,414,256	(158,702)	128,388,433
Value added tax payable	6,739,944	(8,197,620)	4,240,276	(6,116,091)
Other current liabilities	28,762	-	-	-
Other non-current liabilities	-	(1,930,000)	(2,000,000)	(2,000,000)
Cash payment for retirement benefit	(2,000,000)	-	(2,000,000)	-
Cash receive (paid in) operating activities	(359,097,111)	123,299,168	(317,293,179)	96,948,545
Interest paid	(5,690)	(11)	(5,690)	(11)
Income tax refund (paid)	(6,195,397)	259,783	(5,147,572)	1,255,573
Net cash provided by (used in) operating activities	(365,298,198)	123,558,940	(322,446,441)	98,204,107

Three Sixty Five Public Company Limited and Its Subsidiaries
Statements of Cash Flows
For the year ended 31 December 2017

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
CASH FLOW FROM INVESTING ACTIVITIES				
Decrease in current investment	252,039,820	17,165,005	252,015,867	19,188,958
Cash received from decrease in capital of associate	-	6,000,000	-	-
Increase in deposits at financial institution used as collateral	(13,388,562)	-	(13,388,562)	-
Cash payment for investment in associate	(2,400,000)	-	-	-
Cash received from disposal of investment in associate	-	2,000,000	-	-
Cash payment for project contracts	(4,260,000)	-	-	-
Cash received from sale equipments	8,500	794,393	-	-
Purchase of equipments	(56,213,963)	(4,832,429)	(56,017,739)	(3,560,252)
Purchase of intangible assets	(18,070,000)	(588,954)	(18,070,000)	(543,954)
Purchase of leasehold rights	(4,050,000)	(327,887,075)	-	(327,887,075)
Cash received from interest income of investment	5,394,521	32,517,355	4,954,002	32,066,051
Net cash used in investing activities	159,060,316	(274,831,705)	169,493,568	(280,736,272)
CASH FLOW FROM FINANCING ACTIVITIES				
Repayment for financial lease payable and interest paid	(871,519)	(829,402)	(39,201)	(46,800)
Net cash used in financing activities	(871,519)	(829,402)	(39,201)	(46,800)
Effect from changes in fair value measurement of cash and cash equivalents	240,327	1,676,805	240,327	1,676,805
Net decrease in cash and cash equivalent	(206,869,074)	(150,425,362)	(152,751,747)	(180,902,160)
Cash and cash equivalent at the beginning of the year	306,807,000	457,232,362	203,958,740	384,860,900
Cash and cash equivalent at the end of the year	99,937,926	306,807,000	51,206,993	203,958,740
Additional Information :				
The group have non-monetary items as follows				
- Provision for cost of dismantling	8,755,000	1,426,175	8,755,000	1,426,175
- Reduction of deficit against premium on share capital	-	707,895,397	-	707,895,397
- Purchase of assets under finance lease agreement	-	2,313,082	-	-
- Remeasurement of employee benefit obligation	-	1,369,148	-	-

Three Sixty Five Public Company Limited and its subsidiaries
Notes to the consolidated and company financial statements
For the year ended 31 December 2017

1. GENERAL INFORMATION

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

349 SJ Infinite I Business Complex, 23rd Floor, Vibhavadi-Rangsit Road, Chomphon, Chatuchak Bangkok 10900.

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 Directors as at 27 February 2018.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

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 conversation except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Financial Reporting Standards required management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at in the financial reporting year and the amounts of revenues and expenses in the financial reporting year. 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 2017 and 2016 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	
			2017	2016
TSF Extra Co., Ltd. (Formerly known as "TSF Energy Co., Ltd.)	Providing advice, 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

Three Sixty Five Public Company Limited and its subsidiaries
Notes to the consolidated and company financial statements
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- 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 companies 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 companies 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. FINANCIAL REPORTING STANDARDS THAT BECAME EFFECTIVE IN THE CURRENT YEAR

During the year, the Company and its subsidiaries have adopted the revised (revised 2016) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements.

4. FINANCIAL REPORTING STANDARD THAT WILL BECOME EFFECTIVE IN THE FUTURE

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which is effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiaries believe that the revised financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied.

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 Current investment

The classification of investments is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

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.

Three Sixty Five Public Company Limited and its subsidiaries
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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.

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the end of the reporting year which are classified as current assets.

Investments with fixed maturity are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost and are carried at amortised cost using the effective yield method less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

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 end of reporting year. Bad debts will be recognised for the accounts considered uncollectible in the administrative expenses.

5.4 Group accounting - Investments in subsidiaries and associates

a) 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 less allowance for impairment (if any).

Three Sixty Five Public Company Limited and its subsidiaries
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b) Investment in associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the income statement.

In the Company's separate financial statements, investments in associates are accounted for using the cost method less allowance for impairment (if any).

A list of the Group's principal associates and the financial effects of acquisitions and disposals of associates are shown in note 12 to the financial statements.

5.5 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 bringing 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 year.

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
Billboard	3-6	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.

Three Sixty Five Public Company Limited and its subsidiaries
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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.

5.6 Intangible assets

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5-10 years and provision for impairment (if any).

5.7 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.

5.8 Impairment of assets

The Company and its subsidiaries assess at the end of the reporting year 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 exists 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.

5.9 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

Three Sixty Five Public Company Limited and its subsidiaries
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5.10 Provisions for liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5.11 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 end of the reporting year denominated in foreign currencies are translated into Baht at the rates of exchange ruling at the end of the reporting year. Unrealised gains and losses on exchange are recognised in the statements of comprehensive income as incurred.

Such balances are translated at year-end exchange rates unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used.

5.12 Employee benefits

Defined contribution plan - provident fund

The Company operates a provident fund that is a defined contribution plan. The assets are held in a separate fund which is managed by an external fund manager in accordance with the Provident Fund Act B.E. 2530. The provident fund is funded by payments from employees and by the Company. Contributions to the provident fund are charged to the statement of comprehensive income in the year to which they relate.

Post-employment benefits (Defined benefit plans)

The Company provides for post-employment benefits, payable to employees under the Thai Labour Law. The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an independent actuary using the projected unit credit cost method in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using interest rates which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and others. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. The costs associated with providing these benefits are charged to the statement of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

Three Sixty Five Public Company Limited and its subsidiaries
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5.13 Revenue recognition

Revenue comprised the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities net of output tax, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements.

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

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

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

5.13.4 Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

5.13.5 Other incomes are recognized on accrual basis.

5.14 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.

5.15 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.

5.16 Financial instruments

The Company and its subsidiaries 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, current investment, bank overdraft, 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.

5.17 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 end of the reporting year.

Three Sixty Five Public Company Limited and its subsidiaries
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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 the end of the reporting year. 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 end of the reporting year.

5.18 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 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.

5.19 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of TFRS 2 (Revised 2016), leasing transactions that are within the scope of TAS 17 (Revised 2016), and measurements that have some similarities to fair value but are not fair value, such as net realizable value in TAS 2 (Revised 2016) or value in use in TAS 36 (Revised 2016).

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Three Sixty Five Public Company Limited and its subsidiaries
Notes to the consolidated and company financial statements
For the year ended 31 December 2017

5.20 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 investment

The Group regularly evaluated the impairment of investment in subsidiary and associated company when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The evaluation is based on results of operation and future plan of its subsidiary. Such consideration requires the use of estimate and judgment by the management.

Post-employment benefit under defined benefit plans

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.

Deferred tax assets

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

Leases

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

Three Sixty Five Public Company Limited and its subsidiaries
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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	Country of incorporation	Nature of Relationship	Related by
TSE Extra Co., Ltd.* (Formerly known as "TSE Energy Co., Ltd.)	Thailand	Subsidiary Company	Direct shareholding
TSE Management Co., Ltd.	Thailand	Subsidiary Company	Direct shareholding
Action and auction Co., Ltd.	Thailand	Associated Company	Shareholding through subsidiary

*The said subsidiary registered to change its name to "TSE Extra Co., Ltd." with the Ministry of Commerce on 11 October 2017.

Pricing policies for related transactions are as follows;

Transactions	Pricing policy
Service income	Mutually agreed price
Cost of services	Mutually agreed price
Guaranteed rental and consulting fee	Mutually agreed price as stipulated in related service agreements
Expenses paid on behalf of each other	Charged according to actual expenses

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Transactions with related parties for year ended 31 December 2017 and 2016 were as follows:

	(Unit : Baht)			
	For the year ended 31 December			
	Consolidated		The Company	
	2017	2016	2017	2016
Service income				
TSF Management Co., Ltd.	-	-	19,100,972	10,349,356
Action and auction Co., Ltd.	753,300	-	-	-
	<u>753,300</u>	<u>-</u>	<u>19,100,972</u>	<u>10,349,356</u>
Other service income				
Action and auction Co., Ltd.	<u>7,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Costs of services				
TSF Management Co., Ltd.	<u>-</u>	<u>-</u>	<u>12,856,816</u>	<u>15,820,390</u>
*Guaranteed rental fees				
TSF Management Co., Ltd.	<u>-</u>	<u>-</u>	<u>14,220,000</u>	<u>12,772,000</u>
Management's remuneration				
Management's salary and other benefits	18,178,596	17,972,498	11,950,771	12,714,998
Director's meeting allowance	<u>4,155,750</u>	<u>3,655,000</u>	<u>3,795,750</u>	<u>3,325,000</u>
	<u>22,334,346</u>	<u>21,627,498</u>	<u>15,746,521</u>	<u>16,039,998</u>

*The Company entered into a rental agreement for billboards with a subsidiary company as follow;

Description	Contractual period
Pattaya	1 April 2015 – 31 December 2017
Hatyai	1 April 2015 – 31 December 2017
Udonthani	16 March 2015 – 28 February 2018

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The agreements have the conditions as follow;

- 1) The Company guaranteed for the minimum rental fees payable to the lessor at the rate 60% of total billboards as specified in the agreement.
- 2) In the event that the Company sells billboard more than 60% of total of billboards in each municipality, the Company agrees to pay in accordance with the actual sales of billboards in each area.
- 3) In the event that the lessor sells its billboards more than 25% of total billboards in each municipality, the lessor will adjust the minimum guaranteed rental fees at the rate of 85% of the total number of billboards less the lessor's actual sales of billboards each month to be as minimum guarantee.

Outstanding with related parties as at 31 December 2017 and 2016 were as follows;

	(Unit : Baht)			
	For the years ended 31 December			
	Consolidated		The Company	
	2017	2016	2017	2016
Trade accounts receivable				
TSF Management Co., Ltd.	-	-	8,025,000	3,021,423
Action and Auction Co., Ltd.	325,917	-	-	-
	<u>325,917</u>	<u>-</u>	<u>8,025,000</u>	<u>3,021,423</u>
Accrued income				
TSF Management Co., Ltd.	<u>-</u>	<u>-</u>	<u>935,137</u>	<u>-</u>
Other receivables				
TSF Extra Co., Ltd.	-	-	466,151	-
TSF Management Co., Ltd.	<u>-</u>	<u>-</u>	<u>-</u>	<u>722,328</u>
	<u>-</u>	<u>-</u>	<u>466,151</u>	<u>722,328</u>
Trade accounts payable				
TSF Management Co., Ltd.	<u>-</u>	<u>-</u>	<u>2,355,327</u>	<u>2,591,540</u>
Accrued cost				
TSF Management Co., Ltd.	-	-	-	27,178

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7. CASH AND CASH EQUIVALENT

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Cash on hand	272,188	233,746	169,044	139,044
Deposits held at call with banks	82,803,909	131,008,504	34,176,120	28,254,946
Investment in open fund	16,861,829	175,564,750	16,861,829	175,564,750
Cash and cash equivalents	99,937,926	306,807,000	51,206,993	203,958,740

For the consolidated and company financial statements as at 31 December 2017, the interest rate on deposits held at call with banks represented 0.25% – 0.50% per annum, respectively (31 December 2016: 0.25% – 0.50% per annum, respectively).

The fair value of investment in open fund unit are based on net assets value (NAV) in active market for such investment at the end of the reporting year. The fair values are within level 2 of the fair value hierarchy.

8. CURRENT INVESTMENTS

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Bill of exchange (3 months)*	49,384,721	301,320,088	49,384,721	301,320,088
Trading investments (Marketable equity securities)**	1,786,560	2,423,130	1,786,560	2,423,130
Fixed deposit***	2,000,000	2,023,953	-	-
	53,171,281	305,767,171	51,171,281	303,743,218

*Movements of investment in bill of exchange for the years ended 31 December were as follows;

	(Unit : Baht)	
	Consolidated and the Company	
	2017	2016
Bill of exchange		
Opening balance	301,320,088	302,975,996
Addition	-	150,000,000
Return on investment	1,564,633	11,794,092
Redemption at maturity	(253,500,000)	(163,450,000)
Closing balance	49,384,721	301,320,088

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**As at 31 December 2017 and 2016, the Company has trading investments as follows;

	(Unit : Baht)	
	Consolidated and the Company	
	2017	2016
Marketable equity securities - cost value	6,190,675	6,554,940
<u>Less</u> Unrealised loss on change to fair value of investment - accumulated	(4,404,115)	(4,131,810)
Trading investments - net	<u>1,786,560</u>	<u>2,423,130</u>

Investment in marketable equity securities was measured at fair value by using Level 1 inputs of the fair value hierarchy which represented quoted prices of the same assets or liabilities in active markets. Fair value of these equity securities were calculated by using the last bid price at the end of period from the Stock Exchange of Thailand.

Movements of trading investments for the years ended 31 December 2017 and 2016 were as follows;

	(Unit : Baht)	
	Consolidated and the Company	
	2017	2016
Opening balance	2,423,130	19,142,400
Addition	-	13,461,720
Disposals	(152,250)	(30,288,720)
Unrealised gain (loss) on change to fair value of investment	(484,320)	107,730
Closing balance	<u>1,786,560</u>	<u>2,423,130</u>

For the years ended 31 December 2017 and 2016, the Company recognised realized and unrealised gain (loss) on trading investments as follows;

	(Unit :Baht)	
	For the years ended 31 December	
	Consolidated and the Company	
	2017	2016
Realized gain (loss) on disposal of trading investments	(71,750)	706,050
Unrealized gain (loss) on change to fair value of investments	(484,320)	107,730
Net	<u>(556,070)</u>	<u>813,780</u>

*** As at 31 December 2017, a subsidiary had fixed deposit accounts for 12 months with the commercial banks in the amount of Baht 2 million with interest rate of 1.50% per annum (2016: 0.80% per annum).

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9. TRADE AND OTHER RECEIVABLES – NET

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Trade accounts receivable				
Trade accounts receivable - related parties (Note 6)	325,917	-	8,025,000	3,021,423
Trade accounts receivable - other parties	140,954,695	74,290,691	98,149,171	62,367,926
	141,280,612	74,290,691	106,174,171	65,389,349
<u>Less</u> Allowance for doubtful debts*	(19,083,292)	(19,083,292)	(18,063,292)	(18,063,292)
Trade account receivable - net	122,197,320	55,207,399	88,110,879	47,326,057
Accrued income				
Accrued income - related parties (Note 6)	-	-	935,137	-
Accrued income - other parties	60,482,731	26,278,079	60,482,731	26,278,079
Total accrued income	60,482,731	26,278,079	61,417,868	26,278,079
Other receivables				
Other receivables - related parties (Note 6)	-	-	466,151	722,328
Deposits to be refunded	6,410,670	-	2,500,000	-
Prepaid leasehold right expenses	1,161,502	-	412,502	-
Other prepaid expenses	2,218,743	2,275,110	1,156,356	1,233,251
Withholding tax deducted at source	27,345,984	21,956,905	25,969,460	20,821,888
Value added tax receivable	3,651,081	1,158,737	2,646,126	803,333
Advance payment	429,446	1,753,353	218,814	780,842
Others	244,018	465,130	177,459	189,658
Total other receivables	41,461,444	27,609,235	33,546,868	24,551,300
Total trade and other receivables - net	224,141,495	109,094,713	183,075,615	98,155,436
Trade accounts receivable - net				
Within credit term	42,581,969	28,710,916	41,006,029	27,834,329
Classified by aging as follows:				
- Not over 3 months	66,376,371	22,050,633	43,316,746	19,491,728
- Over 3 months but not over 6 months	12,238,530	1,123,500	3,788,104	-
- Over 6 months but not over 9 months	-	-	-	-
- Over 9 months but not over 12 months	-	1,321,450	-	-
- Over 12 months	20,083,742	21,084,192	18,063,292	18,063,292
Total	141,280,612	74,290,691	106,174,171	65,389,349
<u>Less</u> Allowance for doubtful debts*	(19,083,292)	(19,083,292)	(18,063,292)	(18,063,292)
Trade accounts receivable – net	122,197,320	55,207,399	88,110,879	47,326,057
Accrued income				
Recognised as income within 1 year	60,482,731	26,278,079	61,417,868	26,278,079

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As at 31 December 2017, there was outstanding balance of a debtor of Baht 63.56 million which the management agreed to extend the term of repayment as detailed below:

Term of repayment	Amount
5 February 2018	Baht 5.00 million
28 March 2018	Baht 19.58 million
31 March 2018	Baht 14.58 million
19 April 2018	Baht 24.40 million

The Company's management has assessed that such debtor has ability to make required payment and the Company will be able to collect the said balance in full.

*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 as discussed in note 32.1 to the financial statements. The Company set up allowance for doubtful debt for the whole amount in 2007.

As at 31 December 2017 and 2016, certain trade account receivable of Baht 14.02 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. However, the Company has still not received any settlement for those trade account receivable. However, the Company set up allowance for doubtful debt in full of Baht 14.02 million in 2013.

On 1 October 2015, the subsidiary company prosecuted its debtor in allegations of default of payment in the amount of Baht 1.07 million plus interest rate at 7.50% per annum from the filing date to completion of settlement. On 23 November 2015 the Civil Court ordered the debtor to pay this amount. In 2015, the subsidiary company had fully recorded allowance for doubtful accounts. However, on 20 October 2016, a subsidiary company and the debtor entered into memorandum of agreement to settle on an installment basis in the amount of Baht 0.05 million per month. As at 31 December 2016, the subsidiary company received an installment of Baht 0.05 million and reversed provision for doubtful debts in the financial statement for the year ended 31 December 2016 in the amount of Baht 0.05 million. As at 31 December 2017, this debtor secondly defaulted on payments of the outstanding balances and the Company is currently in the process of the investigation for seize and auction.

10. OTHER CURRENT ASSETS

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Undue input vat	1,949,287	1,431,647	1,208,385	1,233,272
Short-term investments in project *	4,260,000	-	-	-
Other	1,583,800	1,017,000	383,800	1,014,000
	<u>7,793,087</u>	<u>2,448,647</u>	<u>1,592,185</u>	<u>2,247,272</u>

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*As at 31 December 2017, a subsidiary company, TSF Extra Co., Ltd., entered into two agreements with a company as follows:

- Agreement No. 1: On 20 March 2017, to provide funding support in the amount of Baht 2 million to the said company for procurement and distribution of railway system products for the Twin Railway Project of the State Railway of Thailand. Consequently, on 20 October 2017, the subsidiary company provided further funding supporting in the amount of Baht 1.26 million for the said project.
- Agreement No. 2: On 19 July 2017, to provide funding support in the amount of Baht 1 million to the said company for procurement and distribution of railway system products for construction Project of Orange Electric Railway line of the Mass Rapid Transit Authority of Thailand.,

The following conditions are specified in the said two agreements:

- 1) Within the first twelve months from the date of contractual agreement, the project could continue as a going concern basis and generate income significantly. The contractual partner agrees to pay a return on joint venture investment to the subsidiary at the minimum amount of Baht 3 million plus initial fund.
- 2) If within 12 months from the date of contractual agreement, the Project could not generate revenue or generate income insignificantly. The contractual partner agrees to return the initial fund in full plus interest at the rate of 24% per annum to the subsidiary and the contractual agreement would be terminated on a 12 month basis.
- 3) If the event that the contractual partner breaches the terms and conditions outlined in the contractual agreement, the subsidiary could immediately terminate the contractual agreement provided that the subsidiary would be reimbursed for all indemnities.

11. 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 29.1 to the financial statements.

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12. INVESTMENT IN ASSOCIATE

(Unit : Baht)										
Consolidated										
Company's Name	Type of Business	Country	Paid-up Share Capital		Percentage of Shareholding and voting right		Cost Method		Equity Method	
			2017	2016	2017	2016	2017	2016	2017	2016
Action and Auction Co., Ltd.	Operate the second hand car market and others	Thailand	10,000,000	-	24%	-	2,400,000	-	671,353	-

A subsidiary company invested in a company namely "Action and Auction Co., Ltd." incorporated on 25 January 2017 with shareholding stake of 24% in order to render services regarding management and development of assets and loans, including revaluation of assets, inspection of vehicle, online auction and data storage. Currently, the said associate company is in the planning process for commencement its business.

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As at 31 December, details of investment in associate were as follows:

	(Unit : Baht)	
	Consolidated (equity method)	
	2017	2016
Cost	2,400,000	-
<u>Less</u> Accumulated share of loss on investment	(1,728,647)	-
Net book amount	671,353	-

Details of the movement during the year were as follows:

	(Unit : Baht)	
	Consolidated (equity method)	
	2017	2016
Opening net book amount	-	7,939,813*
Addition	2,400,000	-
Decrease in capital of associate company	-	(6,000,000)*
Disposal of investment	-	(1,926,757)*
Share of loss from investment in associate	(1,728,647)	(13,056)*
Ending net book amount	671,353	-

At the extra-ordinary shareholders' meeting of the associated company No.1/2015 held on 26 October 2015, it was unanimously resolved to reduce the associated company's share capital of Baht 15,000,000 by reduce par value from Baht 100 to Baht 25 per share. The associated company registered the change in par value of the registered and issued and paid-up share capital from 200,000 shares with a par value of Baht 100 per share to 200,000 shares with a par value of Baht 25 per share with the Ministry of Commerce on 22 January 2016. The Company has been refunded on investment of Baht 6.0 million on 25 January 2016.

*At the Board of Director's meeting no. 6/2016 held on 12 May 2016, it was unanimously resolved to realise all ordinary shares of Solar Leasing Co., Ltd. of 79,999 shares to a third party at the par value. The subsidiary company sold investment in such associate company on 14 June 2016 and recognised gain on disposal of such investment in the consolidated financial statements for the year ended 31 December 2016 in the amounts of Baht 0.07 million as follow:

	(Unit : Baht)
Proceeds from disposal of investments	2,000,000
<u>Less</u> Book value of the investment at the date of loss of significant influence	(1,926,757)
Gain on disposal of investments	73,243

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Financial information of the associate company and the reconciliation between the said financial information and net book value of equity recognised in the consolidated financial statements are summarised below:

	(Unit : Baht)	
	Consolidated (equity method)	
	For the period from 25 January 2017 to 31 December 2017	For the period from 1 January 2016 to 14 June 2016
Service income	39,030	-
Other income	12,083	-
Total income	51,113	-
Administration expenses	(7,253,811)	(32,640)
Net loss for the year	(7,202,698)	(32,640)
Net assets		
Cash and cash equivalents	2,743,833	-
Other current assets (excluding cash)	196,081	-
Other non-current assets	390,634	-
Other current liabilities	(512,736)	-
Non-current liabilities	(20,509)	-
Net assets value of the associate company	2,797,303	-
Percentage of shareholding	24%	-
Net book value of the Group's company in associated	671,353	-

For the year ended 31 December 2017, the Group recognised share of loss from investment in associate of Baht 1.73 million (2016: Baht 13,056) based on the audited financial information of the associate company by another auditor.

13. INVESTMENTS IN SUBSIDIARY COMPANIES

(Unit : Baht)												
The Company												
Company's Name	Type of Business	Country	Paid-up Share Capital		Percentage of Shareholding and voting right		Cost Method		Allowance for impairment of investment		Net	
			2017	2016	2017	2016	2017	2016	2017	2016		
TSF Extra Co., Ltd. (Formerly known as "TSF Energy Co., Ltd.)	Providing advice, suggestion and planning for every kind of public relation advertisement proceeding	Thailand	50,000,000	50,000,000	100	100	50,000,000	50,000,000	-	-	50,000,000	50,000,000
TSF Management Co., Ltd.	Managing and providing advice for business operation including representation service for business operation	Thailand	55,000,000	55,000,000	100	100	99,997,000	99,997,000	(24,542,762)	(24,542,762)	75,454,238	75,454,238
Total			149,997,000	149,997,000			(24,542,762)	(24,542,762)			125,454,238	125,454,238

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Summarised financial information for subsidiaries

Financial information of TSF Management Co., Ltd. and TSF Extra Co., Ltd. before eliminated related transaction as following;

	(Unit : Baht)			
	TSF Management Co., Ltd.		TSF Extra Co., Ltd.	
	2017	2016	2017	2016
Current assets	79,975,767	73,733,755	29,803,564	48,641,579
Non - current assets	17,511,887	20,986,003	13,901,406	11
Current liabilities	17,978,939	15,238,920	819,449	232,759
Non - current liabilities	779,456	1,516,067	-	-

	(Unit : Baht)			
	For the years ended 31 December			
	TSF Management Co., Ltd.		TSF Extra Co., Ltd.	
	2017	2016	2017	2016
Service income	100,478,428	66,006,974	-	-
Net cash provided by (used in) operating activities	(29,710,103)	50,905,257	(2,988,143)	(3,690,720)
Net cash provided by (used in) investing activities	(926,763)	(23,133,696)	(19,660,000)	8,177,441
Net cash provided by (used in) financing activities	(832,318)	(341,670)	-	-
Cash and cash equivalent items increase (decrease) - net	(31,469,184)	27,429,891	(22,648,143)	4,486,721

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14. LEASEHOLD IMPROVEMENT AND EQUIPMENT – NET

	(Unit : Baht)					
	The Company					
	Leasehold improvement	Equipment and tools	Furniture and office equipment	Billboards	Billboard under installation	Total
As at 31 December 2016						
Cost	12,639,989	1,327,755	7,269,762	95,127,027	20,298,867	136,663,400
Less: Accumulated depreciation	(3,176,313)	(517,011)	(4,189,014)	(21,357,755)	-	(29,240,093)
Net book value	9,463,676	810,744	3,080,748	73,769,272	20,298,867	107,423,307
For the year ended 31 December 2017						
Opening net book value	9,463,676	810,744	3,080,748	73,769,272	20,298,867	107,423,307
Purchase	-	69,608	589,398	28,052,158	36,061,575	64,772,739
Transfer-in (out)	-	-	-	23,961,223	(23,961,223)	-
Write-off, net	-	(36,096)	(300,643)	(80,014)	(37,500)	(454,253)
Depreciation	(4,213,329)	(336,274)	(1,278,291)	(19,873,734)	-	(25,701,628)
Closing net book value	5,250,347	507,982	2,091,212	105,828,905	32,361,719	146,040,165
As at 31 December 2017						
Cost	12,639,989	1,163,884	5,869,346	134,630,661	32,361,719	186,665,599
Less: Accumulated depreciation	(7,389,642)	(655,902)	(3,778,134)	(28,801,756)	-	(40,625,434)
Net book value	5,250,347	507,982	2,091,212	105,828,905	32,361,719	146,040,165

At 31 December 2017 and 2016, its book value of vehicles and office equipment of Baht 0.04 million and Baht 0.07 million, respectively which are assets under finance lease contracts in note 19 to the financial statements.

As at 31 December 2017, the gross carrying amount of the fully depreciated of equipment that is still in use Baht 0.86 million (2016: Baht 13.45 million).

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	(Unit : Baht)				
	Consolidated				
	Leasehold improvement	Equipment and tools	Furniture and office equipment	Vehicles	Billboards
					Billboard under installation
					Total
As at 31 December 2016					
Cost	15,639,989	1,327,755	9,304,205	3,084,112	95,127,027
Less Accumulated depreciation	(3,881,318)	(517,011)	(5,119,155)	(170,960)	(21,357,755)
Net book value	11,758,671	810,744	4,185,050	2,913,152	73,769,272
For the year ended 31 December 2017					
Opening net book value	11,758,671	810,744	4,185,050	2,913,152	73,769,272
Purchase	-	69,608	785,622	-	28,052,158
Transfer-in (out)	-	-	-	-	23,961,223
Disposal, net	-	-	(17,627)	-	-
Write-off, net	-	(36,096)	(300,643)	-	(80,014)
Depreciation	(4,812,673)	(336,274)	(1,703,614)	(358,626)	(19,873,734)
Closing net book value	6,945,998	507,982	2,948,788	2,554,526	105,828,905
As at 31 December 2017					
Cost	15,639,989	1,163,884	8,060,384	3,084,112	134,630,661
Less Accumulated depreciation	(8,693,991)	(655,902)	(5,111,596)	(529,586)	(28,801,756)
Net book value	6,945,998	507,982	2,948,788	2,554,526	105,828,905
					32,591,762
					195,170,792
					(43,792,831)
					151,377,961

For the consolidated financial statements as at 31 December 2017, its book value of vehicles and office equipment of Baht 2.55 million and Baht 0.04 million, respectively (2016 : Baht 2.98 million and Baht 0.07 million, respectively) which are assets under finance lease contracts in note 19 to the financial statements.

As at 31 December 2017, the gross carrying amount of the fully depreciated of equipment that is still in use Baht 1.21 million (2016 : Baht 13.68 million).

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15. INTANGIBLE ASSETS - COMPUTER SOFTWARE - NET

	(Unit : Baht)		
	The Company		
	Computer software	Computer software under installation	Total
As at 31 December 2016			
Cost	29,825,340	-	29,825,340
<u>Less</u> Accumulated amortization	(9,080,511)	-	(9,080,511)
<u>Less</u> Allowance for impairment*	(19,413,387)	-	(19,413,387)
Net book value	1,331,442	-	1,331,442
For the year ended 31 December 2017			
Opening net book value	1,331,442	-	1,331,442
Acquisition	3,070,000	15,000,000	18,070,000
Amortization for the year	(682,487)	-	(682,487)
Closing net book value	3,718,955	15,000,000	18,718,955
As at 31 December 2017			
Cost	32,895,340	15,000,000	47,895,340
<u>Less</u> Accumulated amortization	(9,762,998)	-	(9,762,998)
<u>Less</u> Allowance for impairment*	(19,413,387)	-	(19,413,387)
Net book value	3,718,955	15,000,000	18,718,955

*As at 31 December 2017 and 2016, the computer software for Advertising Inventory Control Application of Baht 19.41 million was fully impaired in 2015 as the management assessed that this computer software will generate a future economic benefit lowers than its carrying value.

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	(Unit : Baht)		
	Consolidated		
	Computer software	Computer software under installation	Total
As at 31 December 2016			
Cost	30,446,566	-	30,446,566
<u>Less</u> Accumulated amortization	(9,413,620)	-	(9,413,620)
<u>Less</u> Allowance for impairment*	(19,413,387)	-	(19,413,387)
Net book value	1,619,559	-	1,619,559
For the year ended 31 December 2017			
Opening net book value	1,619,559	-	1,619,559
Acquisition	3,070,000	15,000,000	18,070,000
Write-off, net	(37,730)	-	(37,730)
Amortization for the year	(784,159)	-	(784,159)
Closing net book value	3,867,670	15,000,000	18,867,670
As at 31 December 2017			
Cost	33,471,566	15,000,000	48,471,566
<u>Less</u> Accumulated amortization	(10,190,509)	-	(10,190,509)
<u>Less</u> Allowance for impairment*	(19,413,387)	-	(19,413,387)
Net book value	3,867,670	15,000,000	18,867,670

*As at 31 December 2017 and 2016, the computer software for Advertising Inventory Control Application of Baht 19.41 million was fully impaired in 2015 as the management assessed that this computer software will generate a future economic benefit lowers than its carrying value.

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16. LEASEHOLD RIGHTS - NET

	(Unit : Baht)	
	Consolidated	The Company
As at 31 December 2016		
Cost	471,228,058	463,222,400
<u>Less</u> Accumulated amortization	(136,901,258)	(129,039,835)
<u>Less</u> Allowance for impairment	(323,550,364)	(323,678,908)
Net book value	10,776,436	10,503,657
For the year ended 31 December 2017		
Opening net book value	10,776,436	10,503,657
Purchase	4,050,000	-
Written-off leasehold rights*****	(700,000)	-
Amortization for the year	(3,460,683)	(2,837,904)
Closing net book value	10,665,753	7,665,753
As at 31 December 2017		
Cost*	390,016,378	389,171,141
<u>Less</u> Accumulated amortization*	(91,159,179)	(93,313,942)
<u>Less</u> Allowance for impairment***	(288,191,446)	(288,191,446)
Net book value	10,665,753	7,665,753

*This represented net amounts from the fully amortized leasehold rights.

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

No	Company	Description of Leasehold rights	Period		(Unit : Thousand Baht)	
			Date from	Date to	Consolidated	
					Book value	
					2017	2016
1	Parent	Cost of leasehold right for city bus terminal				
		- Project A ** ' ***	1 December 2012	2 March 2016	-	15,729
		- Project C ** ' ***	1 December 2012	2 March 2016	-	19,758
		- Project D (Group 691) ** ' ****	1 December 2012	30 November 2018	288,191	288,191
2	Parent	Leasehold right and cost of billboard for management of advertising space on billboard and drinking water platform in Chiang Mai	4 November 2014	3 November 2017	-	838
3	Parent	Leasehold rights for advertising space at 7-Eleven	1 October 2015	30 September 2018	7,666	9,666
4	Subsidiary	Cost of leasehold right and renovation of billboard in Chonburi) ** ' *****	1 May 2017	31 December 2017	-	273
5	Subsidiary	Leasehold rights for advertising space at public telephone of TOT	1 February 2018	31 July 2020	3,000	-
		Total			298,857	334,455
		Less Allowance for Impairment ****			(288,191)	(323,678)
		Net book value			10,666	10,777

**This right was fully set up impairment.

***In 2013, the Company received letter no. Kor Tor 1605/1273 dated 19 August 2013 from the Traffic and Transportation Department, Bangkok Metropolitan Administration (BMA) with respect to temporary discontinue of installation of all 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 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 units as at 22 August 2013.
- 4) The Company requested for compensations resulted from the BMA's announcement to discontinue an installation of all 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.

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On 4 March 2014, the BMA submitted the letter no. Kor Tor 1605/305 to the Company, to order the Company to continue the installation of all billboards in accordance with the term outlined in the contract. The Company submitted the letter dated 4 July 2014 to the BMA, to request for compensations resulted from the announcement to discontinue an installation of all billboards.

On 7 April 2015, the Company preceded with a lawsuit claims against the BMA in respect of providing of city bus stations and billboards which were not ready for commercial business to the Company with total claims of Baht 388.97 million as discussed in note 32.2 to the financial statements.

At the board of directors' meeting No.8/2015 dated 22 June 2015, the Company submitted a termination letter dated 23 June 2015 to the BMA, to terminate the contracts with respect to installation of billboards group A (Contract no. Sor Jor Sor 4/2556 dated on 16 November 2012) and group C (Contract no. Sor Jor Sor 5/2556 dated on 16 November 2012) with immediately effective. The Company has still maintained for all entitlements on compensations from the BMA. In addition, on 9 July 2015, the Company submitted a letter to the BMA to request for inspecting and accepting of assets in relation to cancellation of such two contracts.

In 2015, the BMA issued the letters dated Kor Tor 1605/3437, 1605/646 and 1605/804 to order the Company to continue its installations of billboards. The BMA considered that termination of agreement by the Company did not abide by the law and the Company is still liable to the terms of agreement. Therefore the BMA requested for payments of the outstanding monthly and yearly leasehold right fees payable and related penalties outlined in the contract. The BMA may terminate the contract and proceed with a lawsuit claims against the Company for breach of the agreement.

In addition, on 16 February 2016, the Company made a litigation claim no.250/2559 against the Bangkok Metropolitan Administration ("BMA") to the Central Administrative Court in respect of the BMA's authorisation to discontinue an installation of all billboards in accordance with the contracts group A and group C dated on 19 August 2013 with the claims and exemption of leasehold right payables and penalties totaling of Baht 965.84 million. On 3 May 2016, the Central Administrative Court accepted for the litigation claims for opportunity cost totaling Baht 578.07 million together with interest at the rate of 7.50% per annum calculated from the filing date until completion of the settlement. However, the Court rejected the litigation claims related to request for exemption of the penalties and leasehold rights payable as well as rejected the request for termination of the disputed contracts.

On 22 March 2016, the Company received a letter no. Kor Tor 1605/237 from the Traffic and Transportation Department, Bangkok Metropolitan Administration to terminate the contract no. Sor Jor Sor 4/2556, group A and contract no. Sor Jor Sor 5/2556, group C in relation to installation of billboards. However, the Traffic and Transportation Department has still requested for all entitlements on penalties and compensations from the Company in accordance with the legal terms of contracts. The Company stopped recording the monthly leasehold right fees since March 2016 onwards and reversed accrued costs as previously recognised based on straight line method in the amount of Baht 44.11 million in the consolidated and company statements of comprehensive income for the year ended 31 December 2016. The Company reversed such leasehold right and allowance for impairment from financial statements.

On 10 January 2017, the Company received a letter no. Kor Tor 1605/26 from the Traffic and Transportation Department, Bangkok Metropolitan Administration in respect of proposal for settlement of the disputes as to the cancellation of the right given to the company for maintenance of bus stop stations under group A and C as follows:

- 1) The Company has to complete the construction of bus stops in accordance with the contractual agreement i.e. Group A: 283 units and Group C : 277 units.
- 2) Leasehold right payable calculated in accordance with the existed and usable bus stops stations for the period from July 2015 to December 2015 totaling Baht 31.80 million.

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Based on the above proposals, the Company only agreed with item 2), however, the Traffic and Transportation Bureau Bangkok rejected to accept such agreement. Consequently, this proposal no. Kor Tor 1605/237 was cancellation.

On 14 February 2017 and 30 March 2017, the Traffic and Transportation Bureau Bangkok issued letters no. Kor Tor 1605/143 and Kor Tor 1605/2596 to the Company to request for payment about the termination of contracts in relation to the right given to the company for maintenance of bus stop stations under group A and C.

Then on 29 November 2017, the BMA made a litigation claim no.1869/2560 against the Company to the Central Administrative Court in order to request for compensation resulted from non-fulfilling with the term of no. Sor Jor Sor 4/2556 group A and no. Sor Jor Sor 5/2556 group C with total claims as detailed follows:

- 1) The cost of construction of bus station and the penalty from delayed construction in the amount of Baht 2,000 per bus station per day up to 31 March 2016 totaling Baht 651.01 million.
- 2) The outstanding leasehold right payable, repair of electrical system and the penalty from late payment at the rate 0.1% per day of the leasehold right payable up to 31 March 2016 totaling Baht 423.78 million.
- 3) The interest charges of totalling Baht 48.36 million calculated at the rate 7.5% per annum of total claims since April 2017 until November 2017.

As such, the Company recorded monthly and annual leasehold right fee payable of Baht 240.98 million and recorded accrued penalties for leasehold right of Baht 280.49 million in the consolidated and company statements of financial position as discussed in note 18 to the financial statements.

However, the Company did not record the cost of bus station and the penalty from delayed construction in the financial statements since the management expects that the Company shall not pay such claim.

****The management set up allowance for impairment on these leasehold rights and also the remaining leasehold rights (Group 691) with the BMA in the consolidated and company statements since these leasehold rights will generate a future economic benefit lower than its carrying value to the Company based on the financial projection of the outstanding.

*****On 25 December 2017, a Subsidiary issued the letter to terminate the advertising banner - Pattaya City agreement which will be effective on 31 January 2018. The related leasehold rights of Baht 700,000 were fully written-off in the consolidated financial statements for the year 2017.

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17. OTHER NON-CURRENT ASSETS

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Billboard awaiting for installation	11,737,981	11,814,700	7,697,235	7,697,235
Guarantee and deposits	35,499,402	17,444,773	17,284,719	7,449,569
Total other non-current assets	47,237,383	29,259,473	24,981,954	15,146,804

18. TRADE AND OTHER PAYABLES

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Trade accounts payable				
Trade accounts payable - related parties (Note 6)	-	-	2,355,327	2,591,540
Trade accounts payable - other parties	25,231,451	16,864,176	23,209,550	16,634,012
Leasehold right payable (Note 16)	240,976,338	240,976,338	240,976,338	240,976,338
Total trade accounts payable	266,207,789	257,840,514	266,541,215	260,201,890
Accrued costs				
Accrued cost - related parties (Note 6)	-	-	-	27,178
Accrued cost - other parties (Note 22)	2,795,360	3,706,146	2,676,690	3,318,283
Total accrued cost	2,795,360	3,706,146	2,676,690	3,345,461
Other payables				
Other accounts payable - other parties	8,282,641	21,784,613	8,194,793	14,892,372
Penalty for leasehold right payable (Note 16)	280,486,021	280,486,021	280,486,021	280,486,021
Income receive in advanced	155,564	301,050	28,064	-
Accrued commission expenses	3,545,849	4,068,028	1,839,955	2,256,701
Accrued expenses	6,215,008	4,319,968	4,688,488	3,431,483
Total other payables	298,685,083	310,959,680	295,237,321	301,066,577
Total trade and other payables	567,688,232	572,506,340	564,455,226	564,613,928

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19. FINANCE LEASE PAYABLE – NET

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Liabilities under finance lease	1,317,837	2,189,354	-	39,200
<u>Less</u> Deferred interest expense	(53,690)	(139,515)	-	(1,643)
Liabilities under finance lease	1,264,147	2,049,839	-	37,557
<u>Less</u> Current portion of finance lease payables	(786,673)	(785,692)	-	(37,557)
Finance lease payable - net	477,474	1,264,147	-	-

The details of financial lease payables were as follow;

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Within one year	786,673	785,692	-	37,557
More than one year but not more than five years	477,474	1,264,147	-	-
	1,264,147	2,049,839	-	37,557

20. EMPLOYEE BENEFIT OBLIGATIONS

The Group has obligation in respect of the post-employment benefits and employee retirement benefits under the Thai Labor Protection Act. for providing employee retirement and other long-term employee benefits to the employees based on their right and length of services.

Changes in value of employee benefit obligations.

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Beginning balance	2,833,750	3,129,823	2,651,830	1,858,784
Retirement benefit expenses	635,816	943,243	590,525	722,998
Interest cost	46,989	183,193	42,218	123,409
Gain from change in demographic assumptions	-	(1,650,259)	-	(1,166,053)
Loss from change in financial assumptions	-	609,707	-	465,032
Experience (gain)/loss	-	(381,957)	-	647,660
Retirement benefit paid during the year	(2,000,000)	-	(2,000,000)	-
Closing balance	1,516,555	2,833,750	1,284,573	2,651,830

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The amount related to long-term employee benefits recognised in statements of comprehensive income are summarised below:

	(Unit : Baht)			
	For the year ended 31 December			
	Consolidated		The Company	
	2017	2016	2017	2016
Retirement benefit expenses	635,816	943,243	590,525	722,998
Interest cost	46,989	183,193	42,218	123,409
Total expenses recognized in statements of comprehensive income	682,805	1,126,436	632,743	846,407
Remeasurement of employee benefit obligations	-	(1,369,148)	-	-

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

	Consolidated and The Company	
	31 December 2017	31 December 2016
Discount rate (%)	1.75%	1.75%
Salary increase rate (%)	6.65%	6.65%
Employee turnover (%)	0-20%*	0-20%*
Mortality	100% of Mortality**	100% of Mortality**

* Age related scale and kind of employee

** Thailand TMO2008

Sensitivity analysis for each significant assumption disclosed;

	Impact in defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%	Decrease 2 %	Increase 2 %
Salary increment rate	0.5%	Increase 1 %	Decrease 1 %
Employee turnover	0.5%	Decrease 1 %	Increase 1 %

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and change in some of assumptions may be correlated. When calculating the sensitivity of the defined obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statement of financial position.

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Expected maturity analysis of undiscounted retirement benefit:

(Unit : Baht)			
Consolidated			
	Between 1 year - 5 years	Between 6 years - 10 years	Over 10 years
	Total		
Retirement benefit	1,781,701	1,427,250	121,116
	3,330,067		

(Unit : Baht)			
The Company			
	Between 1 year - 5 years	Between 6 years - 10 years	Over 10 years
	Total		
Retirement benefit	1,781,701	944,724	121,116
	2,847,541		

21. DEFERRED TAX / INCOME TAX EXPENSES

As at 31 December 2017, the Group companies had unutilized taxable loss which has not been included in the calculation of deferred tax assets to be recognized in the statement of financial position in the amount of Baht 1,371.73 million, respectively (2016: Baht 1,119.86 million) since the Group has not prepared the financial projection to justify whether the Group will have available profit to utilise these taxable losses in future.

22. OTHER NON - CURRENT LIABILITIES

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Leasehold payables*	4,000,000	6,000,000	4,000,000	6,000,000
Other	10,890,910	2,135,910	10,820,910	2,065,910
	14,890,910	8,135,910	14,820,910	8,065,910

*This represented leasehold right for installation of billboards at 7- Eleven shops for 3 years (1 October 2015 to 30 September 2018) with the entitlement for renewal of leasehold right for another 3 years (From 1 October 2018 to 30 September 2021) provided that the Company is payable to leasehold right fees for the period of 3 years totaling Baht 6 million. The partial amount of leasehold right payable of Baht 2 million shall be due within one year which was presented as accrued cost in note 18 to the financial statements.

23. REDUCTION OF DEFICIT AGAINST PREMIUMS ON SHARE CAPITAL

At the ordinary shareholder's meeting no.1/2016 held on 28 April 2016, and the Director's meeting no. 2/2016 held on 25 February 2016, it was unanimously resolved the authorisation to reduce the deficit for the year ended 31 December 2015 of Baht 707.90 million, against premiums on share capital.

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24. SHARE CAPITAL

Consisted of

		Consolidated and the Company	
	Par Value (Baht)	Number of shares (Shares)	Amount (Baht)
Authorized share capital			
Ordinary shares as at 1 January 2017	0.10	6,550,292,655	655,029,266
Capital increase	0.10	799,495,835	79,949,583
Capital decrease	0.10	(154,325,973)	(15,432,597)
Ordinary shares as at 31 December 2017	0.10	<u>7,195,462,517</u>	<u>719,546,252</u>
Issued and paid – up share capital			
Ordinary shares as at 1 January 2017	0.10	6,395,966,682	639,596,668
Capital increase	0.10	-	-
Capital decrease	0.10	-	-
Ordinary shares as at 31 December 2017	0.10	<u>6,395,966,682</u>	<u>639,596,668</u>

24.1 At the ordinary shareholders' meeting for the year 2017 held on 7 April 2017, it was unanimously resolved as follows:

- 1) Reduction of the Company's registered capital from Baht 655.03 million (ordinary share 6,550,292,655 shares with a par value of Baht 0.10 per share) to Baht 639.60 million (ordinary share 6,395,966,682 shares with a par value of Baht 0.10 per share) by cancellation 154,325,973 registered ordinary shares that have not yet been sold with a par value of Baht 0.10 per share, totalling Baht 15.43 million. The Company registered its decrease of the registered share capital with the Department of Business Development, the Ministry of Commerce on 21 April 2017.
- 2) Increase of the Company's registered capital from Baht 639.60 million (ordinary share 6,395,966,682 shares with a par value of Baht 0.10 per share) to Baht 719.55 million (ordinary share 7,195,462,517 shares with a par value of Baht 0.10 per share) by issuing new ordinary shares for the amount of 799,495,835 shares with a par value of Baht 0.10 per share, totalling Baht 79.95 million. The Company registered its increase of the registered share capital with the Department of Business Development, the Ministry of Commerce on 21 April 2017.

25. WARRANTS

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At the ordinary shareholders' meeting for the year 2017 held on 7 April 2017, it was approved of the issuance of warrants to purchases the Company's ordinary shares No.4 (TSF-W4). The details of warrants were as detailed below:

- Number of warrants: 799,414,880 units (Commenced trading on 15 June 2017)
- Exercised ratio: 1 Unit of warrant to 1 new ordinary share.
- Exercised price: Baht 0.70 per share.
- Period of warrants: 2 years from the issuance date of the warrants (18 May 2017 – 17 May 2019).
- Exercise date: Warrant holders enable to exercise the warrants for 1 time on 17 May 2019, whereas the date and it shall be the same date which the warrants reach their 2 years maturity since the date of issuance.

26. LOSS PER SHARE

26.1 Basic loss per share

For the years ended 31 December 2017 and 2016, The Company calculated basic loss per share by dividing net loss for the period with weighted average number of ordinary shares as follow.

	For the years ended 31 December			
	Consolidated		The Company	
	2017	2016	2017	2016
Net loss for the year (Baht)	(258,858,995)	(281,438,574)	(254,100,173)	(277,504,137)
Number of ordinary share average (Share)	6,395,966,682	6,395,966,682	6,395,966,682	6,395,966,682
Loss per share (Baht per share)	(0.0405)	(0.0440)	(0.0397)	(0.0434)

26.2 Diluted loss per share

The Company does not compute the diluted loss per share for the years ended 31 December 2017 and 2016 since the exercised price is higher than the average market price of the Company's ordinary share.

27. 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.

Information about major customer

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Service income generated from a customer with value more than or equal to 10% of total revenues can be classified as below:

(Unit : Thousand Baht)				
Consolidated				
For the year ended 31 December				
2017		2016		
Amount	% of Service incomes	Amount	% of Service incomes	
Customer 1	77,359	20%	101,735	27%
Customer 2	65,161	17%	-	-
Customer 3	48,219	13%	57,883	15%

28. COMMITMENTS

As at 31 December 2017 and 2016, the Company has commitments in respect of lease of assets and purchase of assets and services as follows:

- 28.1 The Group has future payments to be made under the concession leasehold agreements to conduct operation under the leasehold right granted as mentioned in note 16 to the financial statements. The total minimum future payments under said agreements are as follow;

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
- Within one year	372,029,442	295,198,735	319,850,592	279,280,960
- More than one year but not more than three years	252,479,317	331,003,175	182,189,392	319,534,400
- More than three years	20,975,280	112,531,760	20,975,280	112,531,760
Total commitments	645,484,039	738,733,670	523,015,264	711,347,120

The details of future payment were as follows:

(Unit : Thousand Baht)					
				Consolidated	
No.	Company	Description of Leasehold rights	Ended period	2017	2016
1	Parent	Leasehold right for the maintenance city bus terminal (Project D)	30 November 2018	186,072	395,072
2	Parent	Leasehold right for management of billboard at pedestrian route in Chiang Rai**	31 January 2018	150	3,450
3	Parent	Leasehold right for management of billboard at pedestrian route in Khon Kaen**	31 January 2018	500	14,500

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No.	Company	Description of Leasehold rights	Ended period	(Unit : Thousand Baht)	
				Consolidated	
				2017	2016
4	Parent	Leasehold right for management of billboard at pedestrian route in Udonthani*	30 June 2018	550	1,650
5	Parent	Leasehold rights for space at 7-Eleven	30 September 2020	246,175	296,675
6	Parent	Leasehold rights for Digital Signage 42" of advertising space at 7-Eleven	31 December 2022	47,693	-
7	Parent	Leasehold rights for management of advertising space at Chiang Mai, Chiang Rai, Phuket and Don Mueang Airports*	31 December 2018	33,000	-
8	Parent	Leasehold right for management of advertising bus stop box at Chiang Mai Airports	13 January 2021	8,875	-
9	Subsidiary	Leasehold right of billboard in Pattaya, Chonburi**	31 January 2018	-	1,050
10	Subsidiary	Leasehold right for management of billboard at pedestrian route in Udonthani*	28 February 2018	399	5,187
11	Subsidiary	Leasehold right for floor display, exhibition and rental space at passenger terminal Suvannabhumi Airport*	31 January 2019	11,070	21,150
12	Subsidiary	Leasehold rights for management of advertising space at public telephone of TOT*	31 July 2020	111,000	-
				<u>645,484</u>	<u>738,734</u>

*This represented leasehold right agreements with monthly fees payable.

**On 20 December 2017, the Company issued the letter to terminate these agreements.

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- 28.2** The Company has commitments in respect of lease of assets and purchase of assets and services as follows;

	(Unit : Baht)			
	Consolidated		The Company	
	2017	2016	2017	2016
Lease of assets				
Within one year	6,584,403	5,071,041	4,917,035	3,460,515
More than one year but not more than three years	3,662,695	6,036,033	1,300,590	2,701,296
More than three years	-	625,263	-	-
Total	10,247,098	11,732,337	6,217,625	6,161,811
Purchase of services				
Within one year	53,730,662	46,884,674	60,960,870	59,767,685
More than one year but not more than three years	42,269,233	57,329,264	42,256,233	65,410,264
More than three years	4,112,400	26,485,370	4,112,400	26,485,370
Total	100,112,295	130,699,308	107,329,503	151,663,319

29. CONTINGENT LIABILITIES

- 29.1** As at 31 December 2017 and 2016, the Company and its subsidiaries have contingent liabilities in respect of the matters as follows:

	(Unit : Million Baht)					
	Consolidated and The Company					
	2017			2016		
	Credit line			Credit line		
	Total	Utilize	Available	Total	Utilize	Available
Letter of guarantee	51.45	31.21	20.24	41.45	21.21	20.24
Overdraft and short-term loans from bank	16.50	-	16.50	16.50	-	16.50

The above facility lines are secured by bank fixed deposits as outlined in note 11 to the financial statements.

- 29.2** The Company has contingent liabilities in respect of legal disputes with the BMA as discussed in note 16 to the financial statements.

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30. FINANCIAL INSTRUMENTS

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

30.1 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, investment in open-end fund and bank overdraft.

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.

30.2 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable. However, the Company's 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 finance position.

30.3 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.

At 31 December 2017 and 2016, the following table presents the financial assets that are measured at fair value due within one year.

	(Unit : Baht)			
	Consolidated and The Company			
	2017		2016	
	Level 1	Level 2	Level 1	Level 2
Assets				
Investment in open fund unit	-	16,861,829	-	175,564,750
Trading investments (Marketable equity securities)	1,786,560	-	2,423,130	-
Total assets	<u>1,786,560</u>	<u>16,861,829</u>	<u>2,423,130</u>	<u>175,564,750</u>

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31. EXPENSES BY NATURE

	(Unit : Baht)			
	For the year ended 31 December			
	Consolidated		The Company	
	2017	2016	2017	2016
Reversal of accrual cost	-	(44,111,978)	-	(44,111,978)
Reversal of doubtful debts	(1,194,840)	(22,029,983)	(1,194,840)	(23,666,842)
Loss on disposal and written-off assets	1,277,831	1,901,539	454,253	1,144,132
Remeasurement of employee benefit obligations	-	(1,369,148)	-	-
Employee expenses	35,931,751	39,806,879	27,156,533	30,586,059
Depreciation and amortization	31,329,763	30,006,002	29,222,019	24,964,601
Leasehold rights	316,555,900	316,792,684	294,099,896	288,102,513
Penalties on leasehold rights	-	140,180,552	-	140,180,552
Commission	20,547,885	4,139,984	7,611,845	3,193,984
Office expenses	11,203,262	10,975,491	9,442,551	9,264,998
Public relation activities and advertisement media costs	6,022,855	8,023,097	4,923,791	6,094,007
Management's remuneration	22,334,346	21,617,498	15,746,521	16,039,998
Professional fees	12,000,457	12,431,818	10,741,807	10,699,216
Total	456,009,210	518,364,435	398,204,376	462,491,240

32. LITIGATIONS

As at 31 December 2017 and 2016, the Company has been charged by a number of lawsuit claims as detailed below:

- 32.1** 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 discussed in note 9 to the financial statements.
- 32.2** On 7 April 2015, the Company has proceeded with a lawsuit claims no.467/2559 against the Bangkok Metropolitan Administration in respect of providing of city bus stations and billboards which were not ready for commercial business to the Company with total claims of Baht 388.97 million together with interest at the rate of 7.50% per annum calculated from the filing date until completion of the settlement. On 25 January 2016, the Civil Court determined to transfer the case to be considered by the Central Administrative Court. On 25 March 2016, the Central Administrative Court agreed to accept the litigation from the Civil Court. Currently, the case is under consideration by the Central Administrative Court. To date of this report, the ultimate outcome of this case cannot presently be determined.

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- 32.3** On 16 February 2016, the Company made a litigation claim no.250/2559 against the Bangkok Metropolitan Administration ("BMA") to the Central Administrative Court in respect of the BMA's authorisation to discontinue an installation of all billboards in accordance with the contracts group A and group C dated on 19 August 2013 with the claims and exemption of leasehold right payables and penalties totaling of Baht 965.84 million. On 3 May 2016, the Central Administrative Court accepted for the litigation claims for opportunity cost totaling Baht 578.07 million together with interest at the rate of 7.50% per annum calculated from the filing date until completion of the settlement. However, the Court rejected the litigation claims related to request for exemption of the penalties and leasehold rights payable as well as rejected the request for termination of the disputed contracts. To date of this report, the ultimate outcome of this case cannot presently be determined.
- 32.4** On 29 November 2017, the BMA made a litigation claim no.1869/2560 against the Company to the Central Administrative Court to request claim for damage incurred from not fulfilling terms of contracts. Sor Jor Sor 4/2556 group A and no. Sor Jor Sor 5/2556 group C total claim of Baht 1,074.79 million together with interest at the rate of 7.50% per annum calculated from 24 April 2017 until the filing date in total amount of Baht 48.36 million, therefore totaling claim is Baht 1,123.15 million. The lawyer of the company is in the process to submit the request to merge this case with the case no 250/2559 (note 32.3 to the financial statements) in order that the Court will consider and make judgment of cause simultaneously. To date of this report, the ultimate outcome of this case cannot presently be determined.

33. COMPARATIVE FIGURES

The Company reclassified certain items in the statements of financial positions as at 31 December 2016 and 2015 to conform with the presentation of statement of financial position as 31 December 2017. The reclassification did not affect the previously reported net loss and shareholders' equity. The reclassifications were as follows:

(Unit : Baht)				
As at 31 December 2016				
	Consolidated		The Company	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of financial position				
Cash and cash equivalent	306,807,000	608,127,088	203,958,740	505,278,828
Current investments	305,767,171	4,447,083	303,743,218	2,423,130
Leasehold improvement and equipment-net	113,735,756	19,667,617	107,423,307	13,355,167
Leasehold rights-net	10,776,436	104,844,575	10,503,657	104,571,797
	<u>737,086,363</u>	<u>737,086,363</u>	<u>625,628,922</u>	<u>625,628,922</u>
(Unit : Baht)				
As at 31 December 2015				
	Consolidated		The Company	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of financial position				
Leasehold improvement and equipment-net	35,290,516	20,220,404	28,620,769	14,671,383
Leasehold rights-net	27,680,605	42,750,717	15,198,973	29,148,359
	<u>62,971,121</u>	<u>62,971,121</u>	<u>43,819,742</u>	<u>43,819,742</u>

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34. SUBSEQUENT EVENT

34.1 At the Company's extraordinary meeting no. 1/2017 held on 18 January 2018 it was unanimously resolved as follows:

- 1) Approval of the reduction of the Company's registered capital from 719,546,251.70 Baht to 719,538,156.20 Baht by cancelling 80,955 registered ordinary shares that have not yet been sold with a par value of 0.10 Baht per share. The Company registered its decrease of the registered share capital with the Department of Business Development, the Ministry of Commerce on 31 January 2018.
- 2) Approved of the increase of the Company's registered capital from 719,538,156.20 Baht to 1,678,933,158.50 Baht by issuing new ordinary shares for the amount of 9,593,950,023 shares with a par value of 0.10 Baht per share. The Company registered its increase of the registered share capital with the Department of Business Development, the Ministry of Commerce on 1 February 2018. The details are as follows:
 - 2.1) Allotment of 6,395,966,682 new ordinary shares to be offered on one or several occasions to the existing shareholders in proportion to their shareholding by subscribing 1 existing share to 1 new share with a par value of Baht 0.10 per share.
 - 2.2) Allotment of 3,197,983,341 newly issued ordinary shares of the Company at par value of Baht 0.10 for use of warrants to purchase ordinary shares of the Company No. 5 (TSF-W5).
- 3) Approved of issuing and offering the Warrants to purchase ordinary shares of the Company No.5 (TSF-W5) for the amount of not exceeding 3,197,983,341 units to the existing shareholders by way of rights offering at the ratio of 2 ordinary shares : 1 unit of Warrant, at the offering price of 0 Baht (Zero Baht). The Warrants will be mature in 1 year 2 months after issuance date. The exercise price of the Warrants equals 0.50 Baht per share.

34.2 On 21 February 2018, the Company received proceed from share issuance of Baht 37,497,212. The Company is currently in the process of registering the increased paid-up share capital with the Ministry of Commerce.

34.3 At the Board of Director's meeting No. 3/2018 held on 27 February 2018, it was unanimously resolved to reduce the subsidiary company's share capital by 150,000 shares at the par of Baht 100 each in total amount of Baht 15 million.