

# ANNUAL REPORT 2017

CMO PUBLIC COMPANY LIMITED

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CMO Plc.

# Content

## 01

Message from the Chairman	4
Board of Directors	6
Management Team	8
Financial Highlight	10

## 02

01 Policy and Business Structure	12
02 Company Business	18
03 Risk Factors	60
04 General Information	66
05 Shareholders	72
06 Dividend Policy	74
07 Management Structure	76
08 Corporate Governance	88
09 Corporate Social Responsibilities	102
10 Internal Controls and Risk Management	114
11 Related Party Transactions	118
12 Management's Discussion and Analysis	122

## 03

13 Certification of the Accuracy of Information	128
14 Financial Statements	130

## 04

<b>Appendix</b>	
Information of Board of Director and Executive Management	192
Information of Subsidiaries	194



# Message from Mr. Sermkhun Kunawong, Chief Executive Officer CMO Public Company Limited

## Dear All Shareholders and Clients,

2017 marked another year of good success. It was a golden year of event organizing business particularly of entertainment event cluster. The events such as concerts and shows had been used increasingly by private firms for their marketing activities throughout the year. Moreover, it was also the year that the Company had worked more in the CLMV market (Cambodia, Laos, Myanmar and Vietnam). For instance, the organizing of “Road to Dream Festival 2017” at Mandalay in Myanmar, signing a franchise contract of Imaginia Playland for Ho Chi Minh City in Vietnam with operating area of 1,800 sq.m. Of which the construction was anticipated to be completed in early 2018.

In the past year, it must be accepted that the overall growth of event market was better plus the good capital management resulted in satisfactory turnover. The total income was 1,362.24 million Baht which equaled 162.59 million Baht or 13.55% increase comparing to the one of last year’s. The net profit was 43.57 million Baht, reverting to make profit after the loss of 32.4 million Baht in 2016. Furthermore, the Company had a policy in providing a good yield for shareholders persistently which was considered a significant mission. The Company has to make a good return of investment for shareholders consistently.

In addition, in 2017, the Company had accentuated on being the leadership in creative business by organizing the event: Area 56 Multimedia Showcase 2017”. The showcases of multimedia and the most advanced light and sound systems technologies in the ASEAN Region. The Company transformed the space of Bangkok Creative Playground to showcase the potentiality of Thai creative business. It was to inspire creative thinking and then to use further in showcases and all forms of events. It was as well to build alertness for creative business circle particularly of the professionals in creative field, producers, marketing including new generation. Thus, because of good feedback, the Company has the policy to organize the event: “AREA 56” every year.

This is to say, the key factor that make the Company operate successfully, is creative thinking. We believe that creative thinking is the origin of our business. Every stage of our work is scrutinized by boundless creative thinking process. Therefore, we emphasize on creating working atmosphere in distinct office different from others’ so as to stimulate creative power. We let all staff work as “Work Live Play”. That is to work as play as not working. When they feel relaxed, creative works will be induced. For 2018, the Company will continue to operate in compliant with the 3-Year Strategy (2016-2018), following the 3 principles namely,

1. Maintaining the status at the top level of national leader in event agency business.
2. Developing tourist attraction in order to raise regular income to make sustainable growth. Currently, the Company are operating 2 businesses of this nature which are Himmpan Avatar and amusement park: Imaginia Playland. Himmpan Avatar is showing Thai contemporary cultural performances in 4D formats while Imaginia Playland situated on 3rd floor of The Emporium Shopping Complex. The Company has set a 5-year target to expand amusement park franchise by adding 5 branches abroad. Now, we have granted franchise to China, and prepared to open another branch in Vietnam in 2018. If the expansion is accomplished, Imaginia will become an international brand which is accepted and will generate constant income for the Company.
3. Developing more on entertainment and lifestyle businesses to make it harmonized with the trends of event organizing bringing in the stories of lifestyles allowing them more roles in presentation work. Now, the Company has working bodies for this already that are Muse Corporation and Momentum S.

**Moreover**, the Company emphasizes on the expansion of in-country work to make the Company ranked at the top level of event Agency Company of the country and to expand the business to yield constant income including continually identifying business alliances to support the expansion plan of the Company. Simultaneously, it will be the year of establishing prominent foreign market by continuing the expansion in CLMV countries (Cambodia, Laos, Myanmar and Vietnam).

**Lastly**, I, on behalf of executive team and all staff members, wish to express our gratitude to clients, business alliances and shareholders who render us support and trust in business operation, and be part of our success unceasingly, including staff members of all teams who have been fully dedicated to their works. I also wish to request all of you to be confident that I, with executive tem, shall operate together unitedly under good governance and the Company’s policies to make CMO outstanding in ASEAN market and to build up reputation as the leader of the market sustainably.



**Mr. Sermkhun Kunawong**  
Chairman of Board of Directors  
Chief Executive Officer



## Board of Directors



**Mr. Sermkhun Kunawong**

- Chairman of Board of Directors
- Chief Executive Office



**Mr. Anant Katepithaya**

- Director
- Chairman of Audit Committee
- Independent Director



**Dr. Chalay Kunawong**

- Director



**Ms. Anusra Chittmitrapap**

- Director
- Audit Committee
- Independent Director



**Mr. Netipong Wichitwechkarn**

- Director
- Audit Committee
- Independent Director



**Mr. Upathum Nisitsukcharoen**

- Director
- Audit Committee
- Independent Director

# Management Team

As at January 2017



**Ms. Wanna Issarangkul  
Na Ayutaya**  
Managing Director



**Mr. Mongkol Silthumpitug**  
Managing Director



**Ms. Jutiporn Mingkwanrungrueng**  
Managing Director



**Ms. Panitda Klaimanee**  
Managing Director



**Ms. Chanasa Dermsombull**  
Managing Director



**Ms. Napatchanand Phetluan**  
Managing Director

# Financial Highlights

## Summary of the Company and Consolidated financial Highlight

(Unit Thousand Baht)

	Consolidated				The Company			
	2014	2015	2016	2017	2014	2015	2016	2017
<b>Income Statement:</b>								
Revenue from service	1,068,279	1,357,654	1,199,653	1,362,237	581,638	648,718	637,646	575,561
Total revenue	1,082,078	1,365,233	1,213,248	1,376,442	612,335	665,690	668,829	600,408
Cost of service	866,119	1,068,009	998,015	1,043,273	509,318	542,715	551,582	443,397
Gross profit	202,160	289,644	201,638	318,963	72,321	106,003	83,064	132,164
Selling and administrative expenses	218,488	210,012	205,901	205,214	127,463	107,847	111,727	110,191
Interest expenses	28,579	34,442	27,992	25,397	12,696	16,100	14,140	14,073
Tax expense	(5,563)	18,533	1,585	22,725	(9,825)	1,512	736	6,691
Net profit (loss)	(32,662)	34,237	(32,040)	43,574	(27,590)	(2,484)	42,065	52,696
<b>Balance Sheet:</b>								
Total assets	1,133,984	1,172,551	1,180,546	1,180,336	610,026	660,233	744,085	733,452
Total liabilities	786,552	730,913	725,738	712,835	352,294	403,966	374,134	345,292
Shareholders' equity	347,432	441,638	454,809	467,500	257,732	256,267	369,951	388,160
<b>Financial Ratios:</b>								
Gross profit margin (%)	18.92%	21.67%	16.81%	23.41%	12.43%	16.34%	13.50%	22.96%
Operating profit margin (%)	-2.04%	5.77%	-21.00%	6.73%	-9.48%	-0.28%	8.93%	12.76%
Net profit margin (%)	-3.06%	1.97%	-3.61%	2.66%	-4.74%	-0.38%	6.60%	9.16%
Return on equity (%)	-8.90%	6.83%	-9.84%	7.85%	-9.95%	-97.00%	13.53%	13.90%
Earning (loss) per share	0.17	0.14	(0.18)	0.14	(0.14)	(0.01)	0.12	0.21
Liquidity ratio (time)	0.68	0.62	0.61	0.72	0.96	0.77	0.97	0.99
Debt to equity ratio (time)	2.26	1.66	1.60	1.52	1.37	1.58	1.01	0.89

## Summary of Financial Ratio

	Unit	Consolidated				The Company			
		2014	2015	2016	2017	2014	2015	2016	2017
<b>Liquidity ratio:</b>									
Liquidity ratio	times	0.68	0.62	0.61	0.72	0.96	0.77	0.97	0.99
Account receivable turnover	times	3.36	4.30	4.28	4.19	2.92	3.27	3.65	3.44
Average collection period	days	108.50	84.83	85.25	87.10	125.16	111.47	99.88	106.23
Account payable turnover	times	4.68	4.91	5.01	5.12	5.05	4.44	4.19	3.72
Average payment period	days	76.95	73.26	72.89	71.29	71.33	81.15	87.04	98.21
<b>Profitability ratio:</b>									
Gross profit margin	(%)	18.92%	21.67%	16.81%	23.41%	12.43%	16.34%	13.50%	22.96%
Operating profit margin	(%)	-2.04%	5.77%	-0.21%	6.73%	-9.48%	-0.28%	8.93%	12.76%
Net profit margin	(%)	-3.06%	1.97%	-3.61%	2.66%	-4.74%	-0.38%	6.60%	9.16%
Return on equity	(%)	-8.90%	6.83%	-9.84%	7.85%	-9.95%	-0.97%	13.53%	13.90%
<b>Efficiency ratio:</b>									
Return on asset	(%)	-3.11%	2.34%	-3.68%	3.07%	-4.73%	-0.39%	5.65%	7.13%
Total asset turnover	times	1.02	1.19	1.02	1.15	1.00	1.02	0.91	0.78
<b>Financial ratio:</b>									
Debt to equity	times	2.26	1.66	1.60	1.52	1.37	1.58	1.01	0.89
Interest coverage ratio	times	(0.09)	2.53	(0.09)	3.61	(1.88)	0.94	4.03	5.22
Earning (loss) per share	baht	(0.170)	0.139	(0.180)	0.142	(0.144)	(0.013)	0.170	0.210



# 01

## POLICY AND BUSINESS STRUCTURE

SKYACTIV-VEHICLE DYNAMICS

### 1.1 Vision & Mission

#### Vision

"CMO I s ASEAN leading experience communication creator with world's class craftsmanship"

#### Mission

"We, CMO, generate impactful experience through holistic communication with infinite creativity to be your trusted solution"

### 1.2 The History and Important Changes

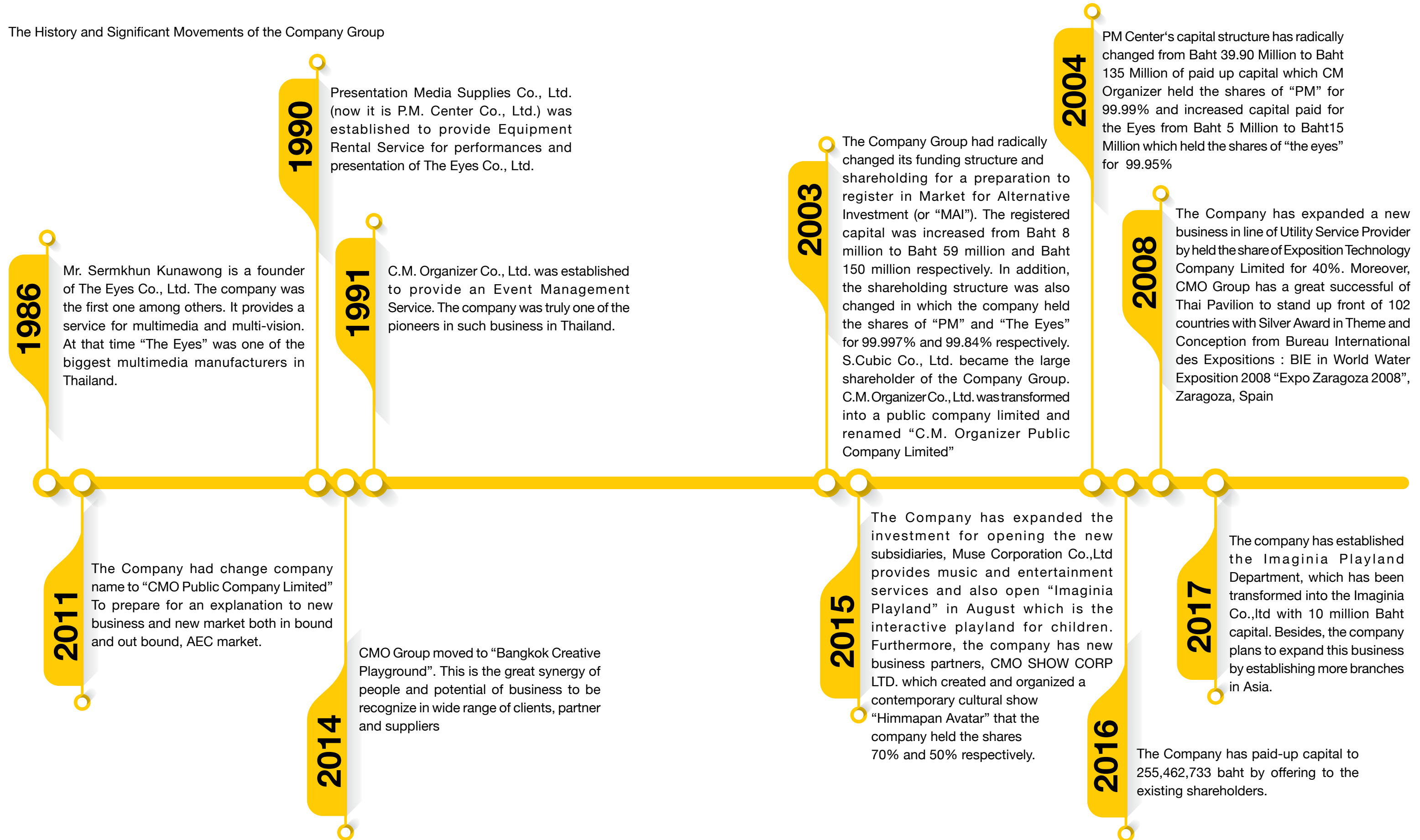
CMO Public Company Limited is founded in June 5, 1991 by the lead of Mr. Sermkhun Kunawong and Mrs. Suree Khunawong. The company is running the business for Event Management; Public Event, Meeting, Incentive, Convention & Exhibition (MICE), Exhibition & Trade Show and Marketing & Promotion. The company's capital for the first registration was amounted Baht 1 million and the business started with only 4 employees. The history and important movements of the Company Group is presented briefly as followed;

NEW  
Mazda2

NEW  
Mazda2



## The History and Significant Movements of the Company Group

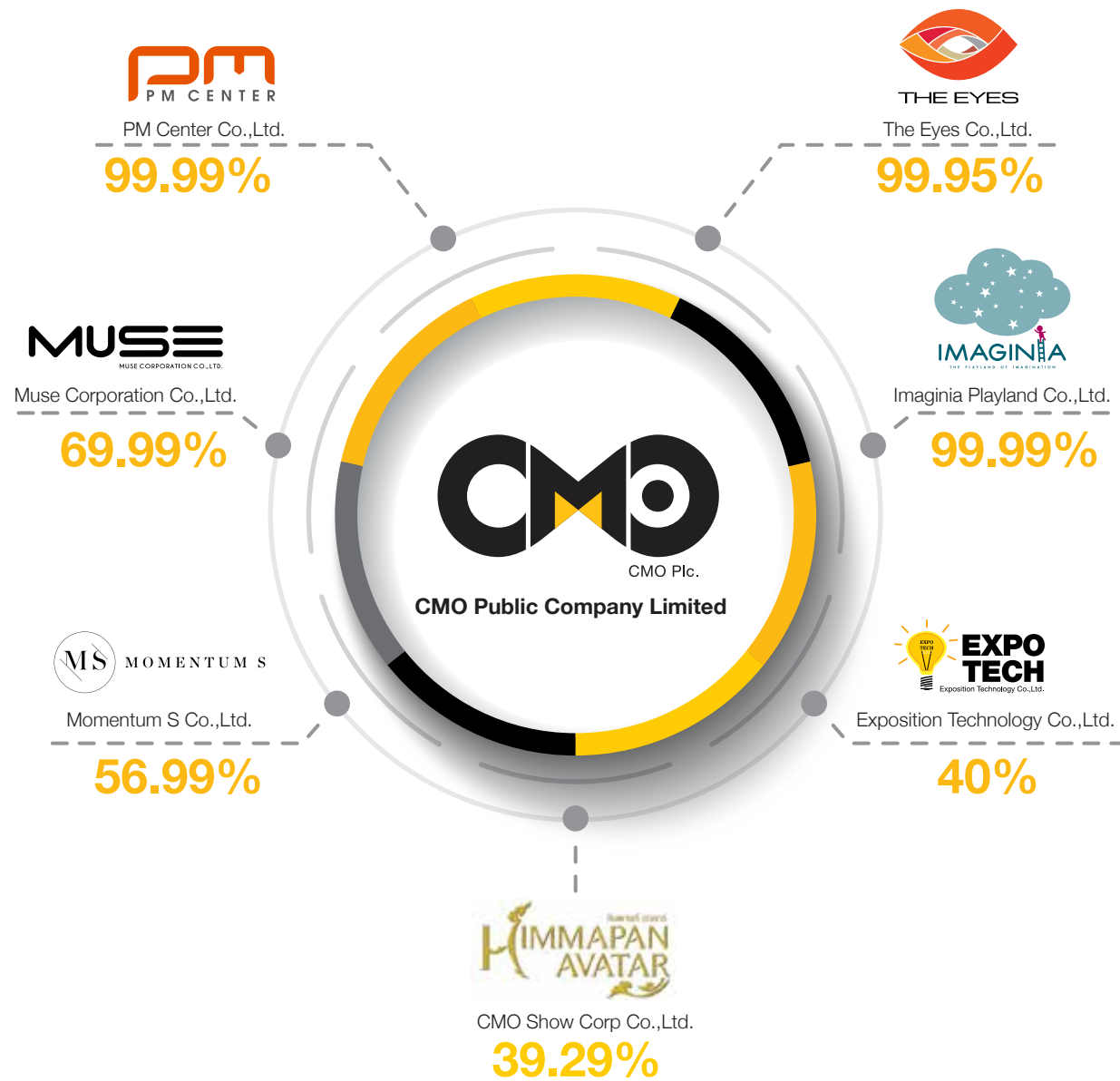




### 1.3 Organizational and ownership structure

The company has a policy to invest in core business involved in event management and its other connected business by considering their potentiality. By assigning a representative to be a director or management executive of the subsidiary and associated companies, the company can manage, control and be confident that the target will be achieved.

The following diagram displays our current organizational and ownership structure as of 31 December 2017.



Birthday Party by Momentum S



## 02

# Company and Subsidiary's Revenue Structure

## 2.1 Revenue Structure

The revenue and customer structure of the group in 2014 – 2017 has been declared separately as following :

Group of Company Revenue divide by Company Business Type

Type of Revenue	2014		2015		2016		2017	
	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%
Revenue from event management business	592.64	55.15%	665.60	49.03%	709.38	59.13%	679.85	49.91%
Revenue from equipment rental business	434.56	40.44%	669.08	49.28%	471.97	39.34%	637.97	46.83%
Revenue from presentation media production business	26.25	2.44%	19.18	1.41%	18.30	1.53%	22.63	1.66%
Revenue from design, decoration and construction	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Revenue from musical and activity	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Revenue from online marketing	21.16	1.97%	3.79	0.28%	0	0.00%	0	0.00%
Revenue from amusement park	0		0		0		21.79	1.60%
<b>Total</b>	<b>1,074.61</b>	<b>100%</b>	<b>1,357.65</b>	<b>100%</b>	<b>1,199.65</b>	<b>100%</b>	<b>1,362.24</b>	<b>100%</b>

Separated Company Revenue divide by Customer Type

Type of Revenue	2014		2015		2016		2017	
	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%
CMO Public Company Limited								
• Revenue from government	109.93	18.47%	98.97	4.87%	151.82	22.70%	146.06	23.29%
• Revenue from private sector	471.71	79.24%	579.76	82.58%	485.82	72.64%	49.50	68.50%
• Other revenue	13.64	2.29%	16.97	2.55%	31.18	4.66%	51.49	8.21%
<b>Total</b>	<b>595.28</b>	<b>100%</b>	<b>665.70</b>	<b>100%</b>	<b>668.82</b>	<b>100%</b>	<b>627.05</b>	<b>100%</b>

◀ Elle Fashion Week  
Stadium Construction,  
Lighting, Sound System  
& Special Effect  
Operated by PM Center





## Separated Company Revenue divide by Business Service Unite

Company revenue	2014		2015		2016		2017	
	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%
CMO Public Company Limited								
- Revenue from corporate marketing events	337.30	56.66%	316.70	47.57%	264.08	39.48%	233.23	37.20%
- Revenue from public event	80.33	13.49%	77.27	11.61%	63.72	9.53%	39.54	6.31%
- Revenue from trade show and exhibition	73.53	12.35%	216.64	32.54%	186.69	27.91%	145.34	23.18%
- Revenue from MICE	0.00	0.00%	0.00	0.00%	4.96	0.74%	9.22	1.47%
- Revenue from event management function	18.93	3.18%	18.12	2.72%	24.99	3.74%	20.49	3.27%
- Revenue from design & construction of Museum	71.55	12.02%	0.00	0.00%	58.97	8.82%	124.22	19.81%
- Revenue from amusement	0.00	0.00%	20.00	3.00%	34.23	5.12%	3.52	0.56%
- Other revenue	13.64	2.29%	16.97	2.55%	31.18	4.66%	51.49	8.21%
<b>Total</b>	<b>595.28</b>	<b>100%</b>	<b>665.70</b>	<b>100%</b>	<b>668.82</b>	<b>100%</b>	<b>627.05</b>	<b>100%</b>

## 2.2 Business of the Company and its subsidiaries

Business of CMO Group can be divided into 8 categories as below ;

1. Corporate Marketing Event and Exhibition
2. Event Equipment Rental Service
3. Multimedia Presentation Service
4. Utilities Service Provider
5. Services on Tourist Attractions
6. Private Life Style Event Service
7. Concert with Light & Sound Show Concert
8. Playland



### 2.2.1 Corporate Marketing Event and Exhibition by CMO Public Company Limited (CMO)

The company is running the business for Event Management and operations related to the core business such as creative management with a focus on quality work and meet the needs of customers. The company's customer can be divided into two major groups, government sector and private sector who want to boost their sales and marketing to promote their image.

Core business of the company has four majors' activities;

1. Corporate Marketing & Event
2. Museum & Exhibition
3. National & Public Event
4. Meeting, incentive, Convention & Exhibition: MICE

## (1) Products and services

### 1. Corporate Marketing Event (CME)

The business unit responsible for creative and marketing promotion management to create brand awareness among the Private sector

There are many business units responsible for providing advice, creative work, and organizing event activities for clients in private sector. These business units are known among the clients under the name of Corporate Marketing Event Business Unit (CME). All CME's business units are able to create and organize the event activities in response to each objective of the customer needs with comparable quality. They are self-managed unit so that they can response to customer's need on time.

The work of CME business units involves the creation of event activities for clients in order to create widely marketing awareness with distinctive characteristics and creativity. These units attempt to create experience for the clients' target group in order to bring out positive emotion and brand recall. They must also continuously emphasize and enhance the image created by the clients among the brand and target group. The events must be utilized to bring about maximum effectiveness and efficiency to the clients' products and services. As a result, brand experience is established in the customer mind in the forms of liking, preference, desire, and needs to possess, which will finally lead to the purchase decision, increasing sales value, and brand loyalty.

The professionalism of CME business units can create confidence on the foundation of over 20 years, as well as the strength in their production skills, expertise in presentation, and ability to create modern work to be able to reach the target groups. These achievements can be reflected from the famous and successful performance in the year 2017 as follows:

- TU 40th Anniversary
- Yuanta Launching 2017
- Ford Bangkok Roadshow 2017
- Chang Sensory Trails 2017
- Homepro Expo #25-26
- GSB Thailand Smart Money 2017
- Huawei W Launch
- 11 Street Launch
- Movie on the Beach 2017
- Hygiene Life Scent
- Dyson Supersonic Consumer Mall Event



Huawei P10 & P10Plus Launch  
by CMO



## 2. Museum and Exhibition Management

Exhibition fair both permanent and temporary are the marketing communication tools by convey difference purpose depends on project's objective. Team's accountability is set the efficiency communication process to client and audience from our expertise via communication strategy, interior and exterior design, display technology such as "Ghost Effect" or Hologram, Panorama Screen technique and Special Effect Dome. The exhibition can divide into 2 types.

1. Education exhibition, this purpose is stimulating the audiences learning about knowledge and progress of them. Moreover, the exhibition expects to increase vision and attitude of audiences and being apply in daily life
2. Trade exhibition, this purpose is share information and introduce exhibitor's product in the same time.

For Museum, it is permanent exhibition which design in many aspects such as concept, theme, interior and exterior. The designer has to set all of aspect to harmonize with museum's objective.

The museum and exhibition management of the company in the year 2017 as follow :

- Khanom Learning Center
- Oishi Tea Center
- TRUE Booth in Digital Thailand Big Bang 2017
- Samsung Booth in Thailand Mobile Expo 2017
- BBL @ Money Expo 2017
- AP @ Think Of Living
- AP Pack Your Bag 2017 @ Terminal 21
- SCG Innovation Center



Museum Siam  
by CMO Museum



BBL Booth @ Money Expo Year End 2017  
by CMO



### 3. National & Public Event

The Public event is set for the campaign of each client which has special campaign in their product. Companies' clients are both private sectors and government departments or ministry. The kind of this event will set in a short time period and need participation of people. Normally, the National or Public Event will set for a special occasion or annually. The event is combined by a lot of activities, varieties of theme and product.

Beside the National and Public Event, company is also create event in style of sponsor event which own by company and get sponsor from other company that wish to joint. The entertainment event of the company aims to combine entertainment with the image of customer brand. For entertainment event, the company has the policy to create own event reflecting in outstanding and unique to satisfy customer and sponsor. These achievements can be reflected from the famous and successful performance in the year 2017 as follows:

- Chang Beer Park
- MEGA Countdown 2018
- Yen Sira Phro Phra Bori Ban Exhibition
- Hi-Q Kids Wonder Plannet
- Motor H



MEGA Countdown 2018  
by CMO



LINE TV NEXPLOSION 2017  
by CMO

### 4. Meeting, Incentive, Convention, Exhibition Business Unit (MICE)

The Company is confident in presenting the service through its MICE business unit with Full-functional Service. The operation of this business unit mostly involves with foreigners. The task deals with the organizing of seminars among foreigners, as well as taking care of participants during their stay in Thailand. The events can be ranged from the seminars held within a few conference rooms to the world-class seminars joined by several thousand participants. Therefore, the provision of the MICE team's full- functional service covers reception, journeys, accommodation, travels during the stay in Thailand, as well as organizing the meetings, venue maintenance, registration, and all the details related to the conferences.

Competence personnel, clarity of working, and World-class Management are considered significant factors in administrating the MICE team. Additionally, being the leader of the MICE business together with competitive advantage obtained from the affiliated companies, the Company's MICE team is equipped with instrument, technology, and potential that is sufficient to fully accommodate the business opportunities.

**The successful performance in the year 2017 as follows:**

- LINE TV Award 2017
- Adfest 2017
- TCEB MICE Standard day
- Anniversary 15th Join&Coin and MDP #18
- World Global Network PTE Co., Ltd.

**(2) Marketing and competition situation****A. Marketing policy**

- **Marketing strategy**

The Company has marketing strategy that stresses on quality and full-function services for different types of businesses. The followings are the key marketing strategies:

1. **Provision of full-function quality services**

After all this time, the Company emphasizes on provision of services for organizing events of various formats for both governmental and private sectors of quality and full-function nature. The Company's working teams work closely together with our clients from the beginning to truly understand the objective and needs of our clients. The Company will set attractive formats of show activities, create presentation formats and feasibility of event organizing including finding event venues, provision of equipment, performance supporting teams as well as arranging for other activities which are harmonious and suitable with the objectives of the events. Thus, the Company applies quality control to every single procedure in order to prevent mistakes and to create the events that meet the objectives of clients. Consequently, the Company earned well acceptance and trust from clients. The activities organized by the Company are novel and convey the concepts presented according to the needs of clients.

Furthermore, to make the events of clients accessible to the target group more efficiently, PR service is added to communicate, build image and release news of clients' events. This is an added value to organizing the clients' events that makes clients satisfy in the overall services of the Company, and also make the Company capable of supporting and organizing all forms of events. Therefore, the Company established subsidiaries under CMO Group to support work within the Group. The operation of the subsidiaries includes complete services ranging from light, color and sound equipment for all kinds of shows, production of special effect, VDOs, and multimedia for activities and advertisement, building of stage structure, electric system, water system, air pump and media cable wiring. Thus, make CMO Group capable of providing real full-function services.

2. **Provision of services covering diverse events**

Company provides event management that covers 4 kinds of businesses:

1. Corporate Marketing & Event
2. Museum & Exhibition
3. National & Public Event
4. Meeting, Incentive, Convention & Exhibition: MICE

The Company is regarded as a leading operator in event management of all such 4 kinds of event. As a result, the Company has market opportunities in event managements covering all kinds of events.

As the Company places importance on account management and customer service, therefore, the Company adds a policy on long-term account management system. Such system is beneficial to both the Company and clients by increasing well the revenue stability and reliability of clients in professional personnel. This is because, the system covers the mode of operation from keeping good relationship, servicing clients by proficient personnel including strict non-disclosure of marketing secrets of each client which is the persistent crucial principle practice.

3. **Develop work system to international efficiency standard**

In addition to the policy on full function service strategy, all services must be of international standard which is widely accepted. This is a very importance issue that is emphasized by the Company. As the organization of each event or activity involves vast number of people, if the operation does not follow strictly the regulation and standard, there will be chaos or carelessness that will bring about damages and danger in many aspects.

Therefore, the Company places major concern on proper and prudent work regulation, and safety awareness such as when a huge structure for an event is required, the construction design must be verified by engineer, security staff stationed at various points during event preparation, a third party insurance, etc.



#### 4. Placing importance on corporate human resource

The Company is always aware that all levels of corporate personnel are the important machinery that make the Company successful in business operation continuously. As event management business is a business that requires knowledge, ability, experiences, creativity and cooperation of staff from various teams. To organize activities successfully as targeted, the Company emphasizes on training and development of personnel by training on application of computerized programs for designing and creating media, and on the use of presentation tools including sending staff for study visits both in-country and abroad. This is to equip staff with innovative techniques to adapt to creative work for clients. Moreover, the Company also stresses on building good internal corporate relationship by organizing activities to unite staff together leading to the same operational direction, cooperation and coordination to achieve the set goals,

- **Policy and pricing**

The pricing for event management of each event is set by production cost which comprises of production cost, production control management fee and presentation control fee plus profit margin at a proper rate depending on the nature of event, how creative and innovative it is including how complex the production is.

- **Clients and target groups**

The Company focuses on clients who are the owners of goods or products that needs promotional marketing events or PR for their own products to boost sales volume in addition to advertisement via general media or governmental or private sectors that need to promote good images for the organization including the events of learning center. The product owners or organizations may specify the formats of activities themselves and then hire the Company to implement or ask the Company to present the activity plans. The Company classifies clients into 4 categories as follows:

1. **State enterprises and governmental agencies**

As governmental sector has a policy to promote industrial investment that has constant growth potential, so governmental sector acts as representative in organizing activities to give knowledge, understanding or marketing activities to promote various industries such as tourism industry, and event management industry, etc. Governmental agencies that are responsible for promotion of such business are Tourism Authority of Thailand, Thailand Convention & Exhibition Bureau (TCEB) and governmental offices in respective tourism provinces, etc. Furthermore, a lot of governmental agencies organize PR activities in different formats. The activities of which are in line with the duties of those governmental agencies in order to promote concerned activities.

2. **Private business group**

Private business group mostly prefers the use of events simultaneously with other marketing communication media. However, the budget spent and frequency of events are varied depending on size of business and competition in particular industries. The business industries that use event management service more frequently with high budget usually are the business of high competition and rapid change of consumer behavior or technology or services that high speed is required such as telecommunication and information technology of which the growth rate and market competition are high. Automotive business industry with constant growth potential and consumer goods business such as food business, cosmetics business, electric appliances and other equipment regarding daily living place importance on marketing activities. Sales promotion and PR to build perception of consumers and target group, including new businesses doing marketing in Thailand, then marketing activities are highly essential in creating direct consumers' perception.

3. **Media agency group**

Media agencies are considered important clients of the Company. Due to the fact that only a few firms are capable of providing full services on event management and advertisement, therefore most media agencies need services of event management providers to create perfect experiences according to the objectives of clients in addition to the planning for marketing strategy.

4. **Clients from ASEAN Countries**

As the Company foreseen the business opportunities from the opening of ASEAN Community, the Company then sets work plan to support this new group of clients continuously. From the past performance, the Company had the opportunities to provide services to 3 kinds of ASEAN related clients as follows:

- 1) Thai or foreign private companies based in Thailand that have investment plans in ASEAN.
- 2) Private companies in ASEAN region such as countries in CLMV group.
- 3) Governmental Sector of countries in ASEAN region.

All this time, the Company has had the opportunities to provide event management services to current and new clients constantly by the following procedure:

### 1. Presentation of performance for client's selection

The Company's operation team will keep track of clients' marketing movement or is contacted by clients to present events of clients from state Enterprises, government and private sectors. When the Company receives information from clients, the Company will prepare work plan according to the clients' objectives of the events, then presents events for clients' selection. If the Company is selected as service provider, the production team of the Company will coordinate with clients to implement further procedure.

### 2. Good customer relationship

Following the marketing policy that focuses on creating quality events to satisfy clients, the Company can build and keep continued good relationship with clients. Clients who used to get services are therefore confident in quality and repeatedly use the Company's services. This is coupled with the Company's focus on clients with high growth potential, budget and PR plan that need to do marketing successively throughout the year, as a result the Company gains trust from clients continuously.

### 3. Recommendation from old clients

With over 30 years of experiences and provision of services which have been accepted well by clients both in quality and creative aspects plus innovative presentation concept but harmonized with clients' events. This is why many clients are confident in the quality of work of the Company and often recommend other clients to use the Company's services.

## B. The competition situation in event management service

### 1. Competitive situation and strategy in event management service

The competitive situation in event management service is higher and higher everyday due to the fact that the organizing of marketing activities is widely accepted as a real access to consumers who get direct experiences. This makes marketing activities popular among most companies both for specific group and public in order to get more marketing outcome.

The entering into event management service business is not very difficult as the capital investment is not very high and personnel required is not a lot. Nowadays, business operation companies that provide event management service can be classified into 2 big categories which are: the companies that operate event management service as their main business, considered as the trade competitors of the Company, and companies that produce TV and entertainment programs relying on their strong points in having good reputation and media in hand to connect to event management business and bid for work to compete with direct operators, includes advertising and PR agencies. Some agencies have internal units that function as event management service providers for their own clients which are considered as indirect competitors. However, with the growth and popularity of event management market, these indirect competitors pay more attention to event management business.

In particular, the advertising agencies that turn to compete in event management market by establishing companies or units for event management for their clients seriously. Nevertheless, event management requires experiences, high operational expertise and a great number of working teams that make it necessary to use the services from companies with direct expertise.

Now in Thailand, there are a lot of operators conducting event management business but only 5-6 operators are big companies including the Company. The Company operates systematically, has stability, can provide quality services and is trusted by clients, catches many target groups both in governmental and private sectors. Each business has different skill and connection. If using total sales volume as a criterion to differentiate business size of the Company when comparing with competitors of direct event management service, it is considered that the Company's business scale is big.

Whether any event management company gets a job from a client or not depending on readiness and company's stability that can support the event. Moreover, the crucial point is the ability to produce quality work. The factors conducive to quality work are personnel particularly creative and production teams with creativity, expertise and experiences, ready supporting team, ability of each producer to allocate all compositions to produce work as required by clients within the set time and budget including strict management.

### 2. Competitive potentiality of the company

For the Company that has operated event management business for a long period of time, over 30 years, has produced quality events emphasizing on presentation of innovative activities stressing on creativity and quality control on every service procedure. All these make the performances of the Company well accepted as quality events by clients from both governmental and private sectors continually. Thus, plenty of clients use the Company's services continually which make the Company earn unceasingly revenue and grow even in time of economic crisis. When the GDP rate grew low, the expenditure on promotional marketing and PR activities was minus. In order to maintain the status as the leading company in the business and increase potentialities in growth and competitiveness, the Company positioned itself as a provider of turnkey event management services covering all kinds of show events by emphasizing on quality as the key principle. Now, the Company is accepted well by both Company's own clients and competitors as leading company in each category of event managements currently operated by the Company.

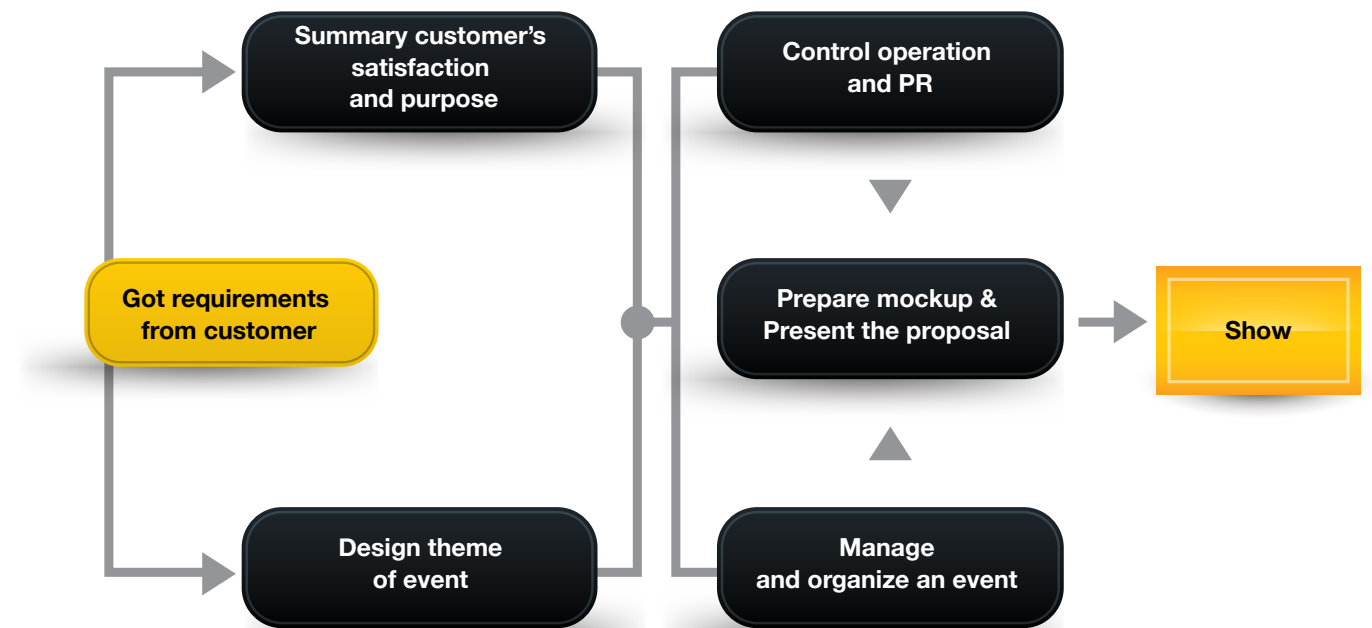
### (3) Provision of products and services

The procedure in providing event management services can be divided as follows:

1. The procedure on providing event management services begins when being contacted by clients who are the owners of products and services. The clients will inform the Company the purpose of organizing the events: if it is promotional marketing activities, seminars for sales representatives either for their products or their services or the promotion of various aspects of their images. The Company will send working team to get clients' needs and objectives of the events including budget for the event organization according to the time, date and venue of appointment made by clients.
2. After that the Company will make an analysis for complete understanding of the clients' needs and objectives of the events. Then, a meeting of working teams consisting of strategic planning, creative and production, is held to brainstorm and set format, guideline and how to present the proposal including the initial cost estimate. The work at this stage is to ensure that the concept and format of events re correct according to the needs of clients and within the financial limit as set by clients.
3. Preparation for readiness to organize events equipment and media for presentation, production control and PR of the events.
  - 3.1 Readiness preparation for equipment and media for presentation: Production Team will take action in preparing equipment required such as communication tools used among working teams, electric, light, color and sound systems, special effects, presentation media, costumes for actors/actresses and master of the ceremony including stage props that are suitable for concepts and formats of the events.
  - 3.2 Production control and PR event: at this stage, the Company proceeds with production as well as checking and control quality of the events at all stages of production in order to ensure that the work produced have quality and is in accordance with the clients' objectives. During the production period, the Company will coordinate with the companies that are owners of the events and concerned agencies to make PR of the event to be known by target groups.

- 3.3 Designing of management and control of events: designing of management and control of events including the selection and training of staff for event organization. The recruitment, selection and training are jointly conducted by the Company and clients for supporting staff such as receptionists, waiters/waitresses, ticket inspectors including master of the ceremony and actors/actresses. The preparation and management of event venues starts from requesting of approval from concerned agencies for authorization as well as knowing the limitations of the site. The placement of equipment, tools at proper spots for application, making attractive stage and backdrop decoration, and allocating adequate space for attendants including space for traffic that provide access for attendants from one spot to the others conveniently and quickly including security measures simultaneously.
- 3.4 Proceed with event organization according to the set time, date and venue.

#### Management Procedure Route







Imagine Dragons  
Evolve World Tour in  
Bangkok,  
Visual Effect  
by PM Center

## 2.2.2 Event equipment rentalsService (PM Center)

### (1) Products and services

Event equipment rental service is operated under PM Center Co., Ltd (Abbreviation as PM). The company's service serves both organizer and agency that manage an event or performance.

PM is an all-in-one service supply thus PM serves the market by providing equipment rental service along with installation and technician service, as well as production consulting service.

Currently, PM's service is categorized by system in 4 categories as following;

- Image or visual system is inclusive of LED screen, LCD & DLP projector, projection screen, plasma display and Xenon slide projector; with this various equipment our service may serve in many type of event from still image display, motion picture display to 3D mapping on a building.
- Lighting system is inclusive of convention lighting, outdoor lighting, concert lighting and exhibition lighting.
- Audio system can serve meeting, conference, product launching event as well as light and sound show.
- Special effect includes the following equipment; laser machine, water screen, various kind and shape of fountain, confetti, paper blower and flame projector. Apart from the special effect equipment, PM also includes rooftop and truss system into this category.



River Festival 2017, Visual Effect, Lighting,  
Sound System Operated  
by PM Center

## (2) Marketing and competition situation

### A. Business strategy

Business strategy in term of selling price, PM considers base on actual cost of labor, logistic plus market price of the equipment. However, the selling price of water screen and fountain are considering base on requirement, technique as well as actual cost.

### B. The competition situation in event equipment rental service

In this recent years, there are newly open small-medium equipment supply company in the market; however, PM still keep its strength in the competitive market by being an all-in-one service company while other companies are still focus servicing only one category or system which cause PM is relatively competitive in medium-high market.

In order to keep the market share, PM believe one of the main key point is keeping the product update and ready for the market's trend. Since the technology of light and sound equipment keeps developing, PM also prioritizes to getting new products as well as training our technicians which is our strength in this business.

- Clients and target groups
  - Event Organizer
  - Government and private organization who organize their own event

## (3) Provision of products and services

### a) Equipment :

Purchasing new product is based on past record of frequency of selling plus rental record as well as trend in the market. In order to keep the product's quality, there is a professional team inspecting factory and checking quality of the product as per standard policy.

### b) Personnel :

Recruiting and training staff is another important way to keep PM's service on standard in long term.

## (4) Corporate social responsibility

Apart from recognizing the significant of keeping product update and in-trend, PM also takes responsibility to the society and nature by including the condition of environmental friendly's product and energy saving product in the standard policy.



Isuzu @ Motor Expo 2017, Visual Effect, Lighting, Sound System Operated by PM Center





### 2.2.3 Multimedia Presentation Service (The Eyes Co., Ltd.)

#### (1) Products and services

The Eyes Company Limited (The Eyes) runs a one-stop service of video presentation, multimedia and interactive media production ranging from the first step of creative design and development, film or software production to the delivery step including software installation at any events. Our wide-range of multimedia are used for many purposes; video to be a corporate profile, multimedia and interactive media for marketing events, conference, exhibitions, and even museums.

Our 3 Core Services are:

- Multimedia : a presentation made by multi-media including video, images, graphic, light & sound to make client's products or services more attractive. These are usually used for marketing events, conferences, exhibitions and museums. Our multimedia includes multi-screen and panorama video, 3D mapping projection, hologram technic, magic display and 3D video.

- Video Presentation : We provide a one-stop service of video production from creative & script development, shooting production, computer graphic development, sound recording and mixing and video editing. Our types of video production ranges from corporate video, promotional video, product information video, TVC, short film to documentary.
- Interactive Media : This kind of media is used to coloring the events, exhibitions or museums to draw clients or participants' attractions as they can interact with the media to get into the details or information of the products and services by a more entertaining way. Our interactive media includes photo booth, interactive shadow, Kinect interactive program, multi-touch table, reactable, transparent display and augmented reality. Our service ranges from software creative design, graphic design and development and software programming that can be adjustable to clients' preferences.



30<sup>th</sup> Anniversary, Multimedia Production by The Eyes



EGAT Learning Center,  
Thap Sakae,  
Multimedia Production  
by The Eyes

## (2) Marketing and competitiveness

### A. Marketing policy

- **Pricing policy**

The eyes use a standard price setting policy to be competitive by marking up margin from the services cost.

- **Clients and target groups**

- 1.1 Event organizers and advertising agencies
- 1.2 Government sectors and private organizations

### B. The competition situation in multimedia presentation service

The Eyes' strength is that we are one of a few one-stop service multimedia production houses in the multimedia presentation market and we also have professional teamwork to create a high-standard multimedia technic with reasonable price.

To continue being a leader in the market, The Eyes gives precedence to staff development. We send our staff to several beneficial training courses so that they can get up-to-date with the fast forward trending of technology.

Marketing Policy: We still focus on great service and professional works to continue being a leader in the market. Besides, we will not stop researching and developing new products to serve clients' needs. Online marketing is our main channel to publish our works and communicate with our clients.

## (3) Provision of products and services

### a) Equipment for multimedia production :

The Eyes provides tools and equipment for producing multimedia such as software programs for computer graphic development, video camera and other tools for video production.

### b) Personnel :

The Eyes sets specific training course to staff to be proficient in using software programs, camera equipment, etc. they use for multimedia production.

## (4) Corporate social responsibility

1. Green Office Building : The Eyes has concern about reducing use of energy to help the environment. Our new office building is designed to have a glass wall to help lower lighting use in daytime. The sensor lights are used on the corridors. And we also have a policy to turn off the electricity when not using it.

2. Recycle policy : Reduce the use of new paper, reuse paper, and reduce printing paper and use more of online document.



Museum Siam, Multimedia Production  
by The Eyes



## 2.2.4 Utilities services provider (Exposition Technology)

### (1) Products and services

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Utility service is provided under the operation of Exposition Technology Co., Ltd. (or Expo Tech) which is a subsidiary that the Company is a shareholder holding 40% of the paid registered capital. Expo Tech is a provider of utility service systems such as electrical connecting system, water piping system, air duct system and signal wiring system that are essential to event organizing. Furthermore, Expo Tech is the official operator of utility service for the Challenger Hall of Muang Thong Thani.

### (2) Marketing and Competition Situation

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#### A. Marketing policy

- **Policy and pricing**

The pricing policy on utility service of Expo Tech is standardized and competitive with competitors in the market. It is set from costs of each service category plus appropriate profit or return.

- **Clients and target groups**

- Both governmental and private agencies that require public relations activities for their agencies and organize their events at the Challenger Hall of Mung Thong Thani.
- Event Organizers who do not have their own internal units or skillful subsidiaries in utility system.

#### B. The competition situation in Utilities services provider

Considering utility service providers for events of sales promotion or various events in Thailand, it is found that there are plenty operators. However, most operators are skillful only at 1 or 2 systems. There are only a few operators including Expo Tech who are capable of providing complete utility service. In particular, Expo Tech is a sole official operator for event organizers at the Challenger Hall of Muang Thong Thai. This give Expo tech advantage in dealing with other clients and creating perception of professional services to clients.

### (3) Provision of products and services

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#### a) Equipment

The Company has a policy on provision of quality products matching the requirements of clients with TISI Standard to build reliability of the Company for clients who use the service. All of the materials used are purchased directly from manufacturers or domestic sales agents or from agents who imported from abroad. Another policy of the Company is using environmental-concerned products, and reducing the use of energy by energy saving light bulbs.

#### b) Personnel

By the nature of the business, personnel is the crucial factor in business operation. In addition, the entering into the ASEAN Economics Community makes it necessary to develop personnel to international level both engineering and service providing aspects especially on communication skill. Language proficiency for communication is needed. Therefore, the Company has a policy to increase staff efficiency by training for better skill and expertise on both engineering and language.

### (4) Corporate social responsibility

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Nowadays, Exposition Technology Co., Ltd. deems the importance of reducing impact on environment, as a result LED bulbs are used instead. LED bulbs release almost none of heat so they reduce the energy utility of the Hall for air-conditioning. Air conditioners work less so the use of energy is saved indirectly. Fluorescence tubes have impact on environment as the tubes contain Mercury vapor while LED bulbs do not or have very little impact and longer life span of 50,000 – 100,000 hours and consume only 0.5 – 1 watt of electricity.

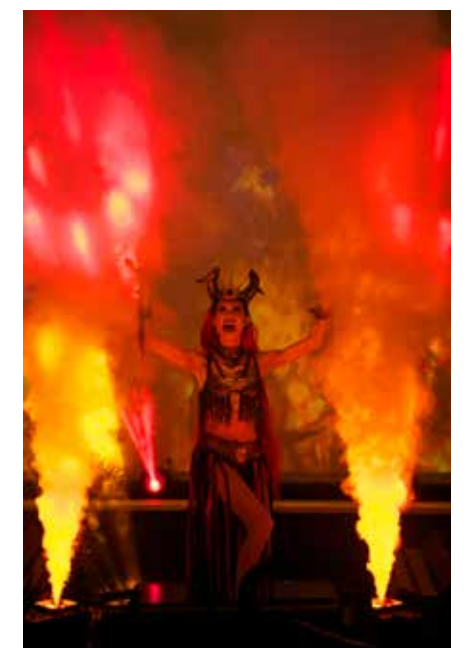


## 2.2.5 Services on Tourist Attractions

### (1) Products and services

CMO Show Corp. was originated from the strength synergy of the two gigantic leading companies in entertainment solution of Thailand that are CMO Public Company Limited and Show DC Corp. While CMO Public Company Limited is the biggest leading company in ASEN in event creation, multi-media art and complete system of light, color and sound, Show DC Corp. is the operator of Show DC Tourist Destination Center. This Center is the new landmark in the center of Bangkok, located on the area of 150,000 sq.m on Chaturathit Road, Rama 9, the heart of Bangkok's new business area. It is the first and biggest show space of this kind in Thailand for creating the magnificent show under the name "Himmapan Avatar".

"Himmapan Avatar" is the show in the form of spectacular walk-through experience of the most complete integrated magnificent performance in ASEAN. The show will be ready to create the thrilling phenomenon within 2016. Combining the power of creativity with performing art and ultimate multi-media technologies, the show will bring about new dimensions of new experiences in viewing for the audience and tourists from around the world. Thus, will eventually help push forward the tourism and economy of Thailand.



Himmapan Avatar



## (2) Marketing and competition situation

### A. Marketing policy

- **Policy and Pricing**

The pricing policy of CMO Show Corporation Limited is competitive pricing. The admission fee to “Himmapan Avatar” will be appropriate and competitive with as well as equivalent to competitors of the same business category. Then, reasonable profit and return will be added.

- **Clients and Target Groups**

- 2.1 The Chinese tourists who visit Thailand either coming with group tours and on their own or FIT (Foreign Individual Tourism)
- 2.2 Thais and tourists from other Asian countries

### B. The competitive situation in service on tourist attractions

When considering the operators of shows or tourist attraction business in Thailand, it is found that there are a lot of current operators. However, most operators have locations as stand-alone type (the space is for only that single show) or in the tourist towns in the provinces. While, Himmapan Avatar contains outstanding features which are the location and the landmark. The show space is located in the Show DC Mega Complex which is the new shopping and complete entertainment landmark for tourists on Chaturathit road, Rama 9, the center of new business area of Bangkok. It takes only 30-minute travel from Suvarnabhumi and Donmuang Airports. Moreover, it is easily accessible by multiple roads and rail transport systems, close to an Airport Rail Link station and connected to various expressways.

On the potential side, Show DC is the biggest space to accommodate tourists and the focal point of full range of goods and services. In addition, as Show DC is the first retailer in Thailand who designs all facilities to accommodate a great number of foreign tourists which will be beneficial to Himmapan Avatar. Himmapan Avatar will become another destination for both Thai and foreign tourists who wish to experience the utmost from travelling Thailand. Himmapan Avatar, the spectacular walk-through experience will be the most prominent new show of Thailand and ASEAN that will reinforce and strengthen further the image of Thailand as the center of culture and entertainment of ASEAN.

Marketing Policy: CMO Show Corp. holds to the principle in creating excellent experience to audience. By applying modern light, color and sound technologies in the presentation, Himmapan Avatar will be superb and equivalent to the popular shows abroad and corresponded to the need of Thai and foreign tourists. They need thrilling viewing experiences and the blending in of the Thai legend and belief to the show.

Moreover, CMO Show Corp. has placed the emphasis on public relations on the performance of the company and the show of Himmapan Avatar. Himmapan Avatar is regarded as the show which is the destination for tourists worldwide. It is a must for tourists who visit Thailand to come to view the show. The public relations is made via various media either online, on-air or on-ground consecutively in order to reach target groups fast and to be wider known to corporate clients.

## (3) Provision of products or services

### a) Equipment used for production of presentation media :

CMO Show Corp. has the policy to provide tools and equipment as well as techniques and methods to produce performing media that make Himmapan Avatar Show attractive. With different format and quality, the show will be extravagant combining performing art and the utmost comprehensive multi-media technologies in ASEAN.

### b) Personnel and staff are one of the important components in creating the show:

Himmapan Avatar, CMO Show Corp. has the policies to train personnel, to select performers who are skillful, talented and expert in performing and to use equipment including various tools to make Himmapan Avatar Show, the show of world standard.



## 2.2.6 Private Life Style Event Service

### (1) Products and services

Momentum S provides comprehensive premium services for creating private lifestyle event. We are the leading experience communicator creator with world's class craftsmanship; to be customer's trusted solution under the concept of "infinite creativity," We create perfect combination of fashion and entertainment by designing modish ideas of event decoration and surprises moment. Our profession is to unify stylish, creativity, uniqueness and fashion into one.

### (2) Marketing and competition situation

Nowadays, event organizer in Thai market have both corporate and freelance sector. We have no direct competitor in the market due to the fact that we are a pioneer of one stop service private lifestyle event organizer in Thailand. Moreover, we do specialize on private event but we also can do corporate event excellently. Therefore on the other hand, considering competition in "event organizer" not emphasizing on private event only, we have indirect competitor for example wedding planners which are Wedding is me, Rainforest, Kaidang, Phka, Box wedding and Tue. As a result, event organizing competition is high. It somehow indirectly affects Momentum S on numbers of customer.

#### A. Marketing policy

In 2017, Momentum S will focus more on private event especially wedding market. From the record, more than 300,000 persons organize wedding reception which cost more than 30,000 million Baht in a year. Comparing with other events such as birthday party, anniversary and hen night, we think wedding market is worth to invest.

#### B. The competition situation in private life style event service

Momentum S rentals price range comparing to other event organizer is more expensive due to the fact that all the elements and rentals that we use in events are all tailor made. Normally, other companies reuse and recycle rentals and the cost is reduced. Thus, Momentum S will reuse, adapt and repair used rentals in order to save the cost for the upcoming event organizing.

### (3) Provision of products or services

The company has provided new supplier match with customer need and low cost but also meet the standard such as structure, decoration, catering and printing. In addition, to provided specialties for more efficiency result.

### (4) Corporate social responsibility

Momentum S Co., Ltd. is an event company which focuses on creativity and electronic communication. The company brings E-Card for present to customer, using E-mail for send information. There are added valuable and minimize waste cost instead of using paper, CD and messenger expenses.



Wedding Ceremony  
by Momentum S





Road To Electric  
 Dream Festival 2017  
 @ Mandalay,  
 Motion Graphic  
 by MUSE,  
 Photo by  
 www.siam2nite.com

## 2.2.7 Event and Concert Organizing Service

Muse Corporation is the phenomenal producer that determines to invent entertainment events with fun, style and creative force: “Playing with Phenomena”. Muse provides turnkey event management services for events and concert shows. The scope of services is as follows:

- Creative designing
- Planning marketing communication in accordance to the marketing plans of clients
- Planning PR to support the projects
- Designing workpiece
- Giving advice on event management and preparing for appropriate venues for different categories of events
- Giving primary advice on equipment and media for organizing shows
- Providing designing and production services responding to clients’ ideas
- Production control
- Providing assembling, installing and interior decorating services for clients
- Show management
- Identifying sponsors

## (1) Products and services

Three main features of services of the Company are :

- Creative & Entertainment Production Agency: the Company initiates new projects as “Promoter” and then identifies sponsors
- Tailor-made Corporate Entertainment: employed as phenomenal creative
- New Experience for Branding: building on brand strengthening and making the difference



Mali Easy Squeeze  
 by MUSE

## (2) Market and Competitive Situation

1. Emphasize on different creative concepts via creating tailor-made events with identity for each client. Due to the current fierce competition and rapid changes in marketing communication, the Company focuses on creating events with identity that are solutions for clients' problems and the set goals by presenting new event formats and new techniques.

2. Provide integrated marketing communication that serves clients as one-stop-service. Whether they are advertising and public relations, or advertising and public relations media planning, and online communication, etc. to create continued communication with target groups more efficiently, the Company can provide consultation from the very beginning procedure as Concept Exploration, Strategic Planning, Production, and Operation & Management to Monitoring & Evaluation for clients.

3. Administer Client Relationship Management and emphasize on taking care of clients in long-term. This strategy builds reliability of the Company in the clients' perception and results in long-term contracts. The clients are well taken care of by teams of experts who are ready to provide services properly and fast including being capable of giving advice and being good consultant for clients.

## (3) Provision of products and services

The procedure in providing services for client of each project is as follows:

- Taking brief of problems and needs of clients
- Brainstorming for guideline of presentation
- Proposal presentation in details
- Production will be prepared in details after the proposal is approved by clients
- Set up at actual event venues along with rehearsal as preparation for overall readiness
- Show Day
- Evaluation: After the event, there will be an evaluation to appraise the performance whether it achieves the set target, including suggestion and improvement guideline for benefit of future events.
- Client Relationship Management: taking care of and contacting clients continuously and presents new ideas and techniques which are deemed beneficial to clients

The Company places high priority on personnel who are the most important asset of the Company that mobilize the Company to achievement and produce quality work for clients. The Company has the policy to recruit personnel who have attitude and qualification that match organizational vision. Moreover, there are training sessions to equip staff with knowledge and understanding in the nature and work system of the Company including study visits outside to gain new experiences.

## (4) Corporate social responsibility

1. Energy saving policy: Muse has a policy for all staff to share the same effort in saving electricity and water.

2. Recycling consumable supply policy: To reduce the use of paper and hard copy document in the Company. To emphasize on re-use of paper. To reduce unnecessary printing but deliver documents via email or other online channels.



Kerry Siam Seaport Exclusive Soft Launch & Thank you Party  
by MUSE



### 2.2.8 Kids Theme park Service (IMAGINIA Playland)

#### (1) Products and Services

IMAGINIA playland provide service as indoor playground to promote imagination and creativity which enhance child's physical, mental, and emotional well-being. 1400 sq.m. IMAGINIA has been divided into 21 zones which branches out onto creative-enhance zones from art, music, literature, and strategic play. The venue also provide all-encompassing facilities such as Bakery cafe, Wi-fi, Restroom, Nappy changing corner, and first aid room.

At the present, IMAGINIA provide services and special activities as follows:

- 1) Themed event: IMAGINIA event is defined that part-game part-exhibition experience which will last approximately 2 months per event.
- 2) Special Workshop: Workshop that correspond to seasonal holiday, varies from craft workshop to DIY cooking workshop.
- 3) School Field trip: Venue that combines development and fun in one: for Kindergarten to primary school (until grade 6).
- 4) Party Service: Exclusive activities with catering for special occasion such as: Birthday, Graduation party, Seasonal party (Easter, Christmas, Thanksgiving).
- 5) Corporate: Play event in a form of thank you party or CRM event for corporate client.

#### (2) Marketing and Competition Situation

##### A. Marketing policy

- Market strategy
 

IMAGINIA's core objective is to create creative playspace for child from 1 - 12 years old. The playland focuses on developing child's creativity which enhance child development in 4 areas: Physical, Emotional, Mental, and Creative development. These core development is translated into play zones in Art, Music, Literature, Nature, and Strategic play in digital interactive approach.
- Clients and target groups
  - a) THAI: increase thai customer by increasing promotional sales and campaigns.
  - b) EXPATRIATE: Create marketing tools that encourage repeat-of-use.
  - c) TOURIST: Expand on regional-specific advertising that correspond to each countries' holiday season (including off-school periods).



◀ Imaginia Playland  
Wonder Car





Imaginia Playland  
Art Cabin

### B. The competition situation in kid theme park services

The entire kid-related industry, especially in the service-based sector itself, expand exponentially more than 10 individuals for the past 2 years since our business started. IMAGINIA uniqueness in providing fresh and variety of content allow IMAGINIA to set apart from majority of players that mainly provide service for physical-play experience. Nevertheless, with the current trend of promoting overall development (especially on non-academic side), several players starting to include creativity activities onto their service. To ensure the unique quality of IMAGINIA, we strategize in maintaining cleanliness, friendly environment and service and take importance in improving play equipment that has the balance element of fun and educational, a mixture that becomes the major demand for all types of our target customer.

## (3) Provision of products and services

### a) Products :

IMAGINIA take comments and conduct several forms of private and public survey to gather facts in order to improve our product and service accordingly.

### b) Personnel :

IMAGINIA conduct series of skill and service training as follows:

- **Service** : Information-test for all operation staffs to ensure customer's smooth play experience
- **Safety First Aid** : All staffs has been on basic first aid training while all supervisor level are inquired to pass intensive first aid training.  
**Child Psychology** : Basic training in child psychology for proper handling of children (including special needs children).
- **Technology** : All staffs receive training knowledge in basic play equipment maintenance and common errors fix.

## (4) Corporate social responsibility

IMAGINIA issue earth-friendly policies for both internal usage and campaign for customer as follows:

### Internal policy :

- Consistentially checking and control materials for workshops to be sufficient for customer while avoiding material waste e.g. food ingredient usage management.
- Recycle policy: use 2 sides of paper and convert used paper into art and craft material and on-site decoration.
- Energy-saving policy: Turn off computer and air conditioning during lunch hours.

### Campaign for customer :

- Recycle me! Campaign: use Recycle trashbin into the playspace to introduce recycle concept to children and families.
- Adding friendly reminder to several facilities e.g. liquid soap, tap, and tissue paper to use the resources only needed.



# 03

## Risk Factors

**Risk relating to the company and subsidiaries divided by 6 risks**

### **3.1 Risk from inconsistency of the client companies' plans for marketing activities**

Nowadays, marketing events is an efficiency tool of marketing to penetrate into targeting customer of each products or service. These activities are, therefore, supplementary activities for the clients' business. Consequently, the Company's event management can easily be affected by the change of customer requirement, such as the policy change from foreign head office in terms of content and budget, the product change, the budget change, the postponement of event schedule, etc. Such changes may affect the revenue and performance of the Company and its affiliations.

However, since the Company has been in the business continuously for over 3 decade, it has customer base comprising both government and private sectors conducting various types of business and has strong policy to acquire new customers. These clients have more tendency to organize events for their marketing, public relations and sales promotion purposes in order to communicate directly to their target consumers.





In addition, the Company also has another progressive management policy by establishing the strategy for managing its own event activities. Therefore, it is possible to forecast the target and implementation of such events, as well as to promote the brand of events in order to create good reputation and trustworthiness, as well as the interest in such events in the following years for more stable future. This will also result in more revenue from supporters of existing events as well as the potentially well-known branded events in the future.

Actually, the Company has tried to maintain the customer base in attempt to expand the revenue from each of the clients. This is indicated from the fact that the staff has put their best efforts in the work, and tried to expand the clients' successful performance in order to maintain continuous flow of work. A specific business unit is established to take care and provide services to the customers closely. All recommendations are accepted for improvement. And most importantly, the clients' budget will be worth utilized in accordance with their objectives. Moreover, the efficiency of performance must be measurable in order to achieve maximum quality.

### **3.2 Risk from social, economic instability and the change of government policy**

Event Management business is connected to and related with advertisement and public relations business that directly ties in with the overall economic situation of the country. The public spending and general business survival are essential factor for product or service owners in considering the use of any kinds of advertisement or public relations, which include exhibition as a marketing tool for sales promotion.

When people in the country, ranging from business sectors at the level of consumer product operators to the high impact level such as energy, are substantially sensitive to political situation, the business operation is therefore directly affected by overall political and economic movements such as political stability, political rally, and economic policy. These factors affect the consideration on roles of advertising, public relations, and budget for organizing event activities, not to mention various project policies that are established and supported directly from the government and jointly promoted by the private sector. Examples are gigantic projects of event organizations, such as the country's public relation projects for tourism purpose or international conference

Nevertheless, the Company has always been well prepared for such cases. The Company attempts to allocate the management to avoid overly reliance on certain parties, either from government or private sector. The company revenue come from different customers, not depending on or influenced by any customer. It also tries to maintain the balance of income generating operations with maximum prudence, apart from establishing the policy to depend on its own work. Moreover, there is also a policy to go for foreign market for example CLMV's countries and ASEAN's countries by using an advantage and strong point of company and group.

### **3.3 Risk from changing technology**

An advantage of today's technology is beyond bounder. Trend or life style in west end can cross or share via an internet to be popular at another side of continent within overnight. All of these can happen because of advantage of technology and it changes very fast as well. Then, to create new experience to consumer is cannot be use traditional way anymore. Company always combines trend and technology in company events to deliver clients' experience.

### **3.4 Risk from market entering of the new operators, and from the adjustment of the clients and adjustment of the advertising firms into the Event market**

Event Management market becomes well-known and has increasing market value yearly, not to mention its attractive revenue. Therefore, considerable number of operators, including those previously relating to the business, which are advertising agencies, media, or television programs and public relation companies, begin to adjust them and find ways to create more revenue from event management market. These operators attempt to focus on their existing strength, as well as to incorporate the business of event management into their operation. However, despite the attempt to create more selling points to increase revenue, the expertise in event management depends on experience and specific skills. Although these companies try to establish the Event Management division, or use other methods of marketing, the expertise of existing personnel is still not able to respond to the client needs. Moreover, they are not able to organize the events with equitable standard when compared to the companies with direct experience in this field. Nevertheless, the growth trend of these companies in the event market still creates pressure and results in more aggressive competition in the industry.



Additionally, the event market also involves the movement of previous operators or clients who have accumulated their experience and learned about the event management from our Company or other event management companies. Therefore, these operators or clients are able to adjust themselves, and learn to organize the events without depending upon the direct event management companies in some cases. Therefore, the Event industry not only confronts with higher competition, but it also needs to adjust itself, as well as to maintain and improve its quality. At the same time, it is also necessary to obtain client acceptance from successful performance and to continuously develop its potential to the greatest extent.

The Company has developed and promoted the quality of event management by accepting new technology that is suitable for organizing the events. Our staffs are assigned to take good care of the clients closely, and are able to create high quality events with new concepts that are always beneficial for the business of the Company. Examples include the attempt to find new joint ventures to enhance the potential of the Company or to find new marketing tools to continuously reinforce the Company's business units. Moreover, the company takes advantage in the company's strength by expanding business into potential international market to reduce the risks.

### 3.5 Risk from natural disasters

Nowadays, the environment and climate are change and difficult to forecast. Natural disasters are occurring more often than the past which may affect to the company's business. The event might have to postpone, avoiding these disasters.

The company always concern and do monitoring the situation both natural disasters and other situation, both inside and outside of the country closely, especially in areas where the company will be held to find a way to prevent any situation that may occur as well as the safety of those who will be in attendance.

The company is also concern about the safety of staffs and audiences. Therefore, the company will provide the third party insurance for audiences for whose participated the event in case of public event and event that company considered.

### 3.6 Risk from Major Shareholder

Company has major shareholder which held more over 25%, there is Kunawong Group. These might cause the voting control in shareholder meeting. He is also important management person. Company might has effect, if he is not work with company.

For the voting control factor, company has Board of audit committee and Board of independent committee which have experience and equitable in term of giving unbiased advice to shareholder toward every issue. Moreover, company has management structure plan as an operation work flow in each business unit. These make company more efficiency and minimize the concern risk.

Nevertheless, the most management factor among event management business is having experienced people. Thus, company gives an important to company crews at all level. Company will give opportunity for talent person to growth with organization. Nowadays, company has many staff in management level which worked with company for long time.

# 04

## General Information

### 4.1 General Information of the Company

Name	: CMO Public Company Limited
Type of Business	: Event management for public events, exhibitions and entertainment activities
Head Office Location	: 4/18-19 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230
Registered Number	: 0107546000458
Registered Capital	: 255,462,733 Baht
Paid up Capital	: 255,462,733 Baht
Type	: Common stock
Homepage	: <a href="http://www.cmo-group.com">http://www.cmo-group.com</a>
Tel	: 0-2088-3888
Fax	: 0-2088-3857

#### ◀ Thai Fight

Visual Effect, Lighting, Sound System & Special Effect Operated by PM Center





## 4.2 General information of the subsidiaries

**Name** : **PM Center Company Limited**  
 Type of Business : Rental equipment for image, lighting, sound and effects  
 Head Office Location : 4/22 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230  
 Registered Number : 0105533044751  
 Registered Capital : 135,000,000 Baht  
 Paid up Capital : 135,000,000 Baht  
 Type : Common stock  
 Homepage : <http://www.pmcenter.co.th>  
 Tel : 0-2091-9888  
 Fax : 0-2091-9401

**Name** : **The Eyes Company Limited**  
 Type of Business : Production of multi-vision slide, video, multimedia and computer graphics  
 Head Office Location : 4/27 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230  
 Registered Number : 0105529020606  
 Registered Capital : 15,000,000 Baht  
 Paid up Capital : 15,000,000 Baht  
 Type : Common stock  
 Homepage : <http://www.theeyes.co.th>  
 Tel : 0-2944-5683  
 Fax : 0-2944-5684

**Name** : **Exposition Technology Company Limited**  
 Type of Business : Electrical and lighting services  
 Head Office Location : 252 Soi Yu-Charoen 29, Ratchadapisek Road Samsennok, Huay Kwang, Bangkok 10320  
 Registered Number : 0105542010406  
 Registered Capital : 5,000,000 Baht  
 Paid up Capital : 2,000,000 Baht  
 Type : Common stock  
 Homepage : <http://www.expotech.co.th>  
 Tel : 0-2691-6318-20  
 Fax : 0-2276-3940

**Name** : **Momentum S Company Limited**  
 Type of Business : Private Event Service  
 Head Office Location : 4/18-19 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230  
 Registered Number : 0105557121900  
 Registered Capital : 2,000,000 Baht  
 Paid up Capital : 2,000,000 Baht  
 Type : Common stock  
 Homepage : <http://www.momentum-s.com>  
 Tel : 0-2381-5929

**Name** : **Muse Corporation Company Limited**  
 Type of Business : Light & Sound Show concert  
 Head Office Location : 4/27 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230  
 Registered Number : 0105558021461  
 Registered Capital : 7,500,000 Baht  
 Paid up Capital : 7,500,000 Baht  
 Type : Common stock  
 Homepage : <http://www.musecorporation.com>  
 Tel : 0-2944-5888  
 Fax : 0-2944-5878

<b>Name</b>	: <b>Imaginia Company Limited</b>
Type of Business	: Conducting an amusement business for children and families
Head Office Location	: 4/18-19 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230
Registered Number	: 0105560013535
Registered Capital	: 10,000,000 Baht
Paid up Capital	: 10,000,000 Baht
Type	: Common stock
Homepage	: <a href="http://www.imaginiaplayland.com">http://www.imaginiaplayland.com</a>
Tel	: 0-2664-8383

### 4.3 General information of the affiliates

<b>Name</b>	: <b>CMO Show Crop Company Limited</b>
Type of Business	: Tourist Attractions
Head Office Location	: 4/18-19 Soi Nuanchan 56, Nuanchan Road, Klongkhum, Buangkhum, Bangkok 10230
Registered Number	: 0105558151695
Registered Capital	: 140,000,000 Baht
Paid up Capital	: 140,000,000 Baht
Type	: Common stock
Homepage	: <a href="http://www.himmapanavatar.comk">http://www.himmapanavatar.comk</a>
Tel	: 0-2944-5683
Fax	: 0-2944-5684

### 4.4 Information of the securities registrar

<b>Name</b>	: <b>Thailand Securities Depository Company Limited</b>
Type of Business	: Thailand Securities Depository Company
Head Office Location	: 93 The Stock Exchange of Thailand Building, 14 <sup>th</sup> Floor, Ratchadapisek Road, Dindang, Bangkok 10400
Homepage	: <a href="http://www.tsd.com">http://www.tsd.com</a>
Tel	: 0-2009-9000
Fax	: 0-2009-6662

### 4.5 Information of the auditors

<b>Name</b>	: <b>ANS Audit Company Limited</b>
Type of Business	: Certified Public Auditor
Head Office Location	: 100/72, 22nd Floor, 100/2 Vongvanij Building B Rama 9 Road, Huaykwang, Bangkok 10320
Homepage	: <a href="http://www.ans.com">http://www.ans.com</a>
Tel	: 0-2645-0107-9
Fax	: 0-2645-0110



# 05 Shareholders

As of December 31, 2017, company has registered capital 255,462,733 baht, paid up capital 255,462,733.00 baht. All paid up capital is classify in to common stock 255,462,733 shares, value 1 baht per share

## Shareholder Structure

The table of major shareholder as of December 29, 2017

Item	Shareholder Name	Number of Shares	Shareholding
1	Mr. Sermkhun Kunawong	64,548,932	25.27%
2	Mr. Upathum Nisitsukcharoen	39,730,000	15.55%
3	Thai NVDR Co., Ltd.	13,117,325	5.14%
4	Mr. Sophon Viraserani	8,800,000	3.45%
5	Mrs. Natthamon Yongthanyaroj	7,120,000	2.79%
6	Mr. Sompol Kullertprasert	6,164,502	2.41%
7	Mr. Worachai Santimongkolvit	5,681,200	2.22%
8	Mr. Kriangkrai Sathsiribhumi	5,450,000	2.13%
9	Mr. Natheenond Chaisathaporn	4,142,400	1.62%
10	Ms. Pattama Kullertprasert	3,656,585	1.43%
11	Other	97,051,789	37.99%
		255,462,733	100.00%

Imaginia Playland  
Sound Cloud



# 06

## The Policy of Dividend Contribution

RESPONSIBILITIES BEYOND HOME AND BEYOND TODAY.  
HOW CAN I CREATE A BETTER CARED-FOR SOCIETY FOR MY KIDS AND THEIR GENERATION?

The company's policy is to contribute the dividend to shareholders not less than 40 percent of the net profit (after the company's income tax has been cleared and legally reserved). Anyhow, this completely depends on economic situation, the proceedings of the company and future projects of the company.

On August 10, 2017, the Board of Directors had approved the payment of interim dividend from company performance period January 1 - June 30, 2017 at Baht 0.08 per share. The dividend was paid on September 5, 2017.

Detail of Dividend Distribution in the past 5 years

Year	Interim dividend (Baht / share)	Final dividend (Baht / share)	Annual dividend (Baht / share)
2013	-	0.10	0.10
2014	-	-	-
2015	-	-	-
2016	0.09	0.055	0.145
2017	0.08	0.10*	0.18

\*The Board of Director resolved to propose the annual general meeting of shareholders on April 25, 2018 to approve the final dividend distribution at Baht 0.10 per share.

20 YEARS OF DIVERSITY  
ADFEST 2017

WANT BIGGER IDEAS?  
BECOME A DAD  
CHRIS GURNEY  
NAOHIRO TOGAWA







# 07

## Management Structure

### 7.1 The Board of directors and The Audit Committee/ Independent Committee

#### 7.1.1 The Board of directors

As of December 31, 2017, the company has 6 members\* of a board as listed below:

- |                                |                                  |
|--------------------------------|----------------------------------|
| 1. Mr. Sermkhun Kunawong       | Chairman of Board of Directors** |
| 2. Mr. Anant Gatepitthaya      | Directors***                     |
| 3. Mr. Netipong Wichitwechkarn | Directors***                     |
| 4. Ms. Anusra Chittmitrapap    | Directors***                     |
| 5. Dr. Chalay Kunawong         | Directors**                      |
| 6. Mr. Upathum Nisitsukcharoen | Directors                        |

\* Detail of as attachment 1

\*\* Directors who have authority to sign

\*\*\* Independent Committee

◀ "ALIVE NOW"  
Hygiene Life Scent  
by CMO





**(1) Authority of Board of Directors**

The Board of Directors has the following authority:

1. Set main policy for business operation, financial policy, fund-raising policy and corporate risk management policy.
2. Consider for approval of budget and investment projects of the Company and supervise the project implementation as planned,
3. Supervise Company's operation to achieve or surpass the set target
4. Provide general and financial reports of the Company for shareholders and stakeholders accurately and timely as specified by law
5. Review adequacy and suitability of internal control system and risk management of the Company.
6. Consider entering into financial agreement, loans and guarantees.
7. Consider budget, annual salary adjustment, bonus payment, major welfare for management, and propose meeting allowance and remuneration for directors.

As December 31, 2017, the company has held the Meeting of Board of Director for 4 times.

Here is the detail of committee attend.

Name	Position	Number of Attend
Mr. Sermkhun Kunawong	Chairman of the Board of Director	4/4
Mr. Anant Gatepithaya	Director	4/4
Dr. Chalay Kunawong	Director	4/4
Mr. Netipong Wichitwechkarn	Director	3/4
Ms. Anusra Chittmitrapap	Director	4/4
Mr. Upathum Nisitsukcharoen	Director	3/3 (#2-4)

**7.1.2 The Audit Committee / Independent Committee**

As of December 31, 2017, the company has 3 members\* of Audit Committee as listed below:

- |                                |                               |
|--------------------------------|-------------------------------|
| 1. Mr. Anant Gatepithaya       | Chairman of Audit Committee** |
| 2. Mr. Netipong Wichitwechkarn | Audit Committee               |
| 3. Ms. Anusra Chittmitrapap    | Audit Committee               |

Mr. Vuttiphon Tanametanon is a secretary of the Audit Committee.

Note:

\* Detail of as attachment 1

\*\* Audit Committee who has experience in audited financial statement

**(1) Qualification of Independent Directors**

1. Have leadership, vision, knowledge, proficiency and expertise in Company's operation, and be independent to give opinion, consider, conclude and make decision by taking into consideration the ultimate benefit of the Company and shareholders.
2. Hold not over 1% of the total voting shares of the Company, the parent company, subsidiaries, associates or legal entities that may have conflicts of interest.
3. The independent directors of the Company is autonomous from management and not being employees, staff, consultants with regular salary or the persons who have authority to control over the Company, the parent company, subsidiaries, associates or legal entities that may have conflicts of interest for not less than 3 years.

**(2) Authority of Audit Committee**

Audit Committee has authority and responsibilities as specified in the regulation and criteria of Securities and Exchange Commission and the Stock Exchange of Thailand, and report directly to the Board of Directors.

**Audit Committee has the following main authority and responsibility:**

1. Review for the Company to have adequate accurate open financial reports by coordinating with External Audit of the Company and executives who are responsible for preparing financial reports both quarterly and annually.
2. Review for the Company to have suitable and effective internal control and internal audit
3. Review Company's operation to make it compliance with law on Securities and Stock Exchange of Thailand, the regulation of the Stock Exchange of Thailand or laws concerning the business of the Company.



4. Select and propose for appointment of Corporate Auditor including considering the remuneration for the auditor by taking into consideration the reliability and adequacy of resources and the volume of auditing work of the audit firm as well as the experiences of the staff who are assigned to audit the Company's account.
5. Consider and reveal Company's information in case of related items or items that may have conflict of interest accurately and completely.
6. Perform any other work that is assigned and approved by the Board of Directors such as review of financial and risk management, review with Company's executive if their conducts are in compliant with business ethics, review jointly with Company's management the major reports to be presented to public as specified by law such as Executive's Report and Analysis.
7. Prepare report on the activities of Audit Committee, signed by the Chairperson of the Audit Committee, disclosed in the Company's Annual Report.

As of December 31, 2017, the company has held the Meeting of Board of Director for 5 times.

Here is the detail of committee attend.

Name	Position	Number of Attend
Mr. Anant Gatepithaya	Chairman of Audit Committee	5/5
Mr. Netipong Wichitwechkarn	Audit Committee	4/5
Ms. Anusra Chittmitrapap	Audit Committee	5/5

## 7.2 Management Team

As of December 31, 2017, The Company has 7 members\* of the executives as listed below:

1.	Mr. Sermkhun Kunawong	Chief Executive Officer
2.	Ms. Panitda Klaimanee	Managing Director
3.	Ms. Jutiporn Mingkwanrungrueng	Managing Director
4.	Mr. Mongkol Silthumpitug	Managing Director
5.	Ms. Wanna Issarangkul Na Ayutaya	Managing Director
6.	Ms. Napatchanand Phetluan	Managing Director
7.	Ms. Chanasa Dermsombull	Managing Director

\* Detail as Attachment 1

### 7.2.1 Authority of Chief Executive Officer

Chief Executive Officer has the following authority:

1. Consider and approve the participation in organization of exhibitions and seminars of not over 150 million Baht value.
2. Consider and approve the procurement of equipment, tools and materials or any other assets of not over 25 million Baht value.
3. Consider and approve renting, renting out, employing, providing services or contracting to provide services of not over 30 million Baht value.
4. Consider and approve the employment of executives or staff who earn salary of not over Baht 500,000. Except, the employment of executives or staff at the positions of Deputy Chief Executive Officer onwards, approval is required from the Board of Directors.
5. Consider and approve any transaction of over the fore-specified value when necessary urgency occurred and cannot be delayed for the benefit or business of the Company. In this case, Chief Executive Officer is allowed to make such approval and then shall report to the Board of Directors without delay.
6. Follow the Articles of Association and objectives of the Company, resolutions of the Board of Directors and the meeting of the shareholders, and comply with concerned laws and regulations. Then, after the Company was listed in the Stock Exchange of Thailand, the rules and regulations of the Stock Exchange of Thailand including the rules and regulations concerning the items of conflicts of interest shall be observed.

7. Consider proceeding transactions or any other necessary actions or appropriate practice to operate corporate business or for corporate business interest or for regular corporate business operation.
8. Make decision regarding the major corporate operation, set mission, objective, policy of the Company including the supervision of overall operation, performance, customer relations and be responsible for the Board of Directors.
9. Consider and approve the transaction that binds the Company as a borrower in the amount of not over 20 million Baht. If it is over 20 Million, it shall be approved by the Board of Directors.
10. Have the authority to assign other persons that deemed appropriate by the Chief Executive Officer to manage and take action on behalf of Chief Executive Officer as necessary and appropriate at the discretion of Chief Executive Officer under the criteria of laws and the Articles of Association of the Company.

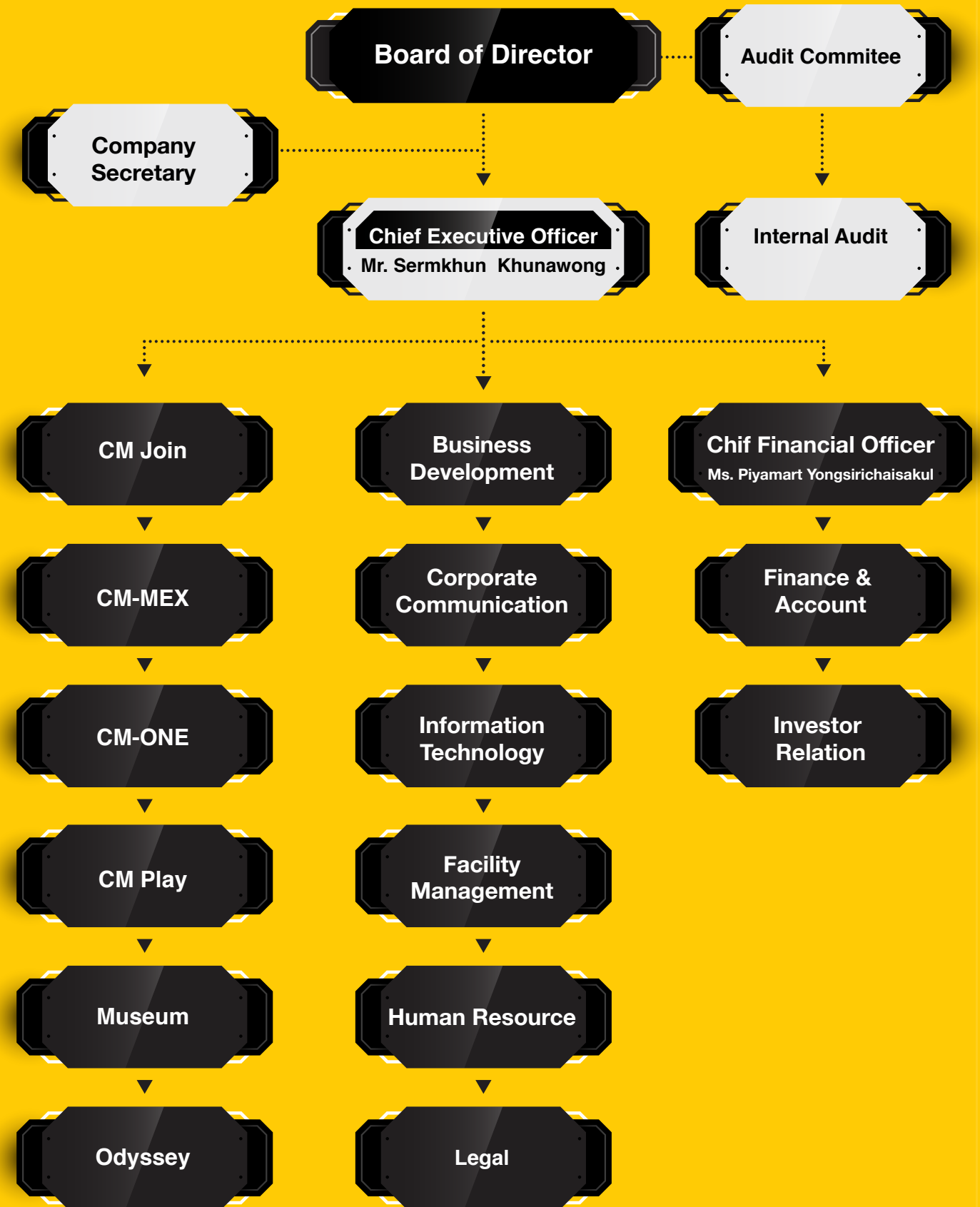
However, Chief Executive Officer does not have authority to take action on the fore-mentioned matters, if the Chief Executive Officer has conflicts of interest or any interest in such authorized matters.

### 7.2.2 Scope of Authority of Executive Team

Executive Team's duty is to give advice, suggestion and/or jointly consider to give opinion for decision making of Chief Executive Officer on various matters regarding business operation of the Company.

However, the authority of Executive Team shall conform with the criteria of laws and the Articles of Association and the Executive Team has no right to make transactions or giving approval the items that the Executive Team has interest or conflicts of interest in any other form with the Company or subsidiaries. In such case, the Executive Team shall submit to the Board of Directors for consideration.

## Company Organization Structure as of December 31, 2017





## 7.3 Company Secretary

### 7.3.1 Company Secretary Information

Name	Miss Piyamart Yongsirichaisakul
Age	40 Years
Date of Effective	August 17, 2009
Education	Bachelor Degree : Financial Economics University of the Thai Chamber of Commerce Master Degree : International Business Management Business School, University of Surrey, United Kingdom.
Related Training Course	2008 : Thai Company Secretary Club - Fundamental Practice for Corporate Secretary (FPCS) 2009 : Thai Institute of Directors - Effective Minute Taking 2009 : Thai Institute of Directors - Effective Minute Taking

### 7.3.2 Scope of Authority and Responsibilities of Company Secretary

1. Undertaking arrangements for meetings of the Shareholders and supporting document which relevant. Ensuring that the meeting conforms to relevant laws and regulations and minute taking.
2. Preparing for Company Annual Report (Form 56-2) and Company Information Report (Form 56-1)
3. Undertaking arrangements for meeting of the Board, related Board Committees. Ensuring that the meeting is conforms to relevant laws and regulations and document supporting.
4. Preparing and keeping registrations of directors, annual reports of the Bank, notices calling Shareholders and Board of Directors Meetings, as well as minutes of the Shareholders and Board of Directors Meetings;
5. Reporting for new director or management position.
6. Reporting to the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET) for related rule and regulation, including the relevant document and other supporting.

## 7.4 The Remuneration for the Executives

### 7.4.1 The Remuneration in type of Money

#### (1) The remuneration for the Board of Director of the Company

In 2017, total remuneration in meeting fee and bonus paid to the committee equaled to Baht 2.89 million.

Name	Position	Meeting Allowance (Baht)		Bonus	Total
		Director	Audit committee		
Mr. Sermkhun Kunawong	Chairman of Board of Directors and Director	193,600.00	-	363,712.52	799,312.52
		242,000.00			
Mr. Anant Gatepithaya	Independent Director and Chairman of The Audit Committee	242,000.00	48,400.00	363,712.52	799,312.52
			145,200.00		
Dr. Chalay Kunawong	Director	242,000.00	-	181,856.26	423,856.26
Mr. Netipong Wichitwechkarn	Independent Director and Audit committee	242,000.00	48,400.00	60,618.75	351,018.75
Ms. Anusra Chittmitrapap	Independent Director and Audit committee	242,000.00	48,400.00	45,464.07	335,864.07
Mr. Upathum Nisitsukcharoen	Director	181,500.00	-	-	181,500.00
Total		1,585,100.00	290,400.00	1,015,364.12	2,890,864.12

#### (2) Remuneration of the Management Team

The total remuneration paid by the Company to 7 individuals of the management team during fiscal year 2017, including salary and incentive total Baht 26.86 million.

### 7.4.2 Remuneration of the Management Team

#### - Provident Fund

Company has provided provident fund for employee which company subsidiary for 3% of employee salary. Total provident fund subsidiary paid by the company to 7 individuals of the management team during fiscal year 2017 was Baht 715,680 Baht.

## 7.5 Employees

---

### 7.5.1 Number of Employee

As of December 31, 2017 there were a total number of 673 people employed by the company divided by permanent contract 669 people and temporary contract 4 people as indicated below:

- CMO Public Company Limited; permanent contract 175 people and temporary contract 1 people
- PM Center Company Limited; permanent contract 243 people
- The Eyes Company Limited; permanent contract 30 people
- Exposition Technology Company Limited; permanent contract 68 people
- Momentum S Company Limited; permanent contract 13 people and temporary contract 1 people
- Muse Corporation Company Limited; permanent contract 13 people and temporary contract 2 people
- CMO Show Corp Company Limited; permanent contract 108 people
- Imaginia Company Limited; permanent contract 19 people

### 7.5.2 Staff Remuneration

The staff remuneration according to Article 7.5.1 in the year 2017 consisted of salary, bonus, social security allowance and contribution to the provident fund, totaling Baht 294.75 million.

### 7.5.3 Dispute

-None -

### 7.5.4 Policy on Human Resource Management

The Company has staff development policy which is keeping knowledgeable and proficient staff to work with the Company for long-term by applying the following guidelines:

1. Recruit proper staff and assign suitable jobs.
2. Organize orientation when first join to create understanding and familiarization with work prior to actual working.
3. The Company arranges study visits for staff both in-country and abroad regularly in order to promote understanding and experiences of staff in event management business.
4. The Company has a policy on making salary payment reciprocal with knowledge and proficiency. As for the yearly salary increment, it depends on the annual performance of the Company.

## 7.6 The connected transactions

---

### 7.6.1 The connected items

In case, there are connected transactions or the transactions regarding the obtaining or disposing of Company's assets as prescribed by the Announcement of the Stock Exchange of Thailand. The transactions of such items shall be the resolutions of the shareholders' meeting and/or any other action in compliant with the rules and regulation according to respective announcements as stipulated in the regulations of the Stock Exchange of Thailand.



# 08

## Compliance with Good Corporate Governance Principles

The Board of Directors of CMO Public Company Limited is well aware of the importance of corporate governance and responsibilities to the society in the belief that good corporate governance will be a key element in enabling its business to achieve success. It will also create confidence that there is efficient management system with transparency and accountability to ensure confidence of shareholders, investors, stakeholders and all parties concerned, which will bring about sustainable growth with quality and add value to the business.

The Board of Directors emphasizes on good governance and realizes that the accountable and transparent management will enhance the Company's progress in business operation. Furthermore, it will also strengthen the confidence of all relevant parties, and bring maximum benefits to all shareholders and stakeholders. The result of good corporate governance performing is informed which consist of the following:





## Section 1 – Rights of Shareholders

The Company has realized the basic rights of shareholders which include the right to buy or sell or transfer shares, the right to gain shares in the Company's profit, the right to receive relevant and adequate information of the Company in timely manner, the right to participate and vote in shareholder meetings to elect or remove directors. The Company has also recognized the good corporate government and taken steps to demonstrate its respect for basic shareholders' right. It, therefore, shall not violate or reduce the rights of shareholders. This will eventually result in the best interests of shareholders and relevant persons. Therefore, the company has set policies relating to the rights of shareholders as follows:

- Shareholders and stakeholders have enjoyed equitable treatments and the rights that they are eligible to such as the right to receive dividends equally from the Company, the right to freely trade or transfer their own shares, the right to attend Shareholders' Meetings, the right to propose in advance the Meeting agenda, the right to nominate a person to be a director, the right to express opinions independently, and the right to make decisions on important affairs of the Company e.g., the election of directors, the appointment of auditors and fixing of the audit fee, approval of significant transactions influencing the Company's direction, as well as amendment of Memorandum of Association and Articles of Association of the Company, etc. Each shareholder has the right to vote at meetings according to the number of shares owned whereby one share is entitled to one vote, and no particular share allows privilege over the rights of other shareholders.
- An agenda item regarding the Board's remuneration is included to inform shareholders of the amount and type of remuneration received by each director such as meeting allowance, bonus etc. This year the Board's remuneration was offered by meeting allowance and bonus.
- The board of directors carefully considers and transparently sets a policy on remuneration of the board directors. Such remuneration is in the same level as that offered by other companies in the industry and good enough to attract and keep qualified directors.
- At the election of directors, the shareholders shall vote for each individual candidate nominated for Directors.
- In this year 2017, the company has set an examiner for checking the vote. An auditor was asked to be an examiner to assure the result of vote. This was also disclosed in the annual conference report.
- Prior to the date of meeting, each agenda is clearly designated in an invitation letter, including the objective and opinion by the board of directors. If an election of Directors is included in the agenda, the company will provide clarifications for each director including Name, age, education, experience, meeting attendance in the year and appointed date.
- Before each conference, the Chairman explains clearly how ballots are cast and counted.
- During the conference, the chairman gives the participants equitable right of questioning, expressing their opinions, and giving recommendations concerning the company administration without time limitation. Furthermore, the shareholders' opinions can be proposed prior to the meetings via the company's website: <http://www.cmo-group.com/ir> as well as Email address: [ir@cmo-group.com](mailto:ir@cmo-group.com)
- The Company has a policy to organize each meeting at the venue where is easily accessible by public transportation such as MRT or BTS. However, once the meeting is organized at suburb venue, the company has policy to provide shuttle bus service and in this year, a barcode scanning barcode scan process was used for registration to make shareholders convenient and take less time.
- The company reveals the name of external auditors, audit firm, audit fees for selection and appointment. The company has set a policy to consider, select, and appoint the company's auditor who is well known and accepted by the Securities and Exchange Commission Thailand.
- The company reveals dividend payment policy in the annual report. In the agenda of dividend payment considering, the shareholders will be provided the rate of payment and related information. If the agenda is set to be considered as not paying dividend, the reasons will be clearly explained.
- For shareholders who do not attend the meeting, the minutes was recorded accurately and completely which including name and position of attended directors, method of the vote, questions and answers, ballots for each agenda for sending it to SET and the Securities and Exchange Commission after meeting. Minutes of the meeting endorsed by the shareholders are kept in a safe place and all relevant persons are eligible to check the minutes.
- Each shareholders' meeting, the company reveals the resolution and ballots to SET one day after the meeting
- In this year, all directors including the CEO attended in the annual conference.
- The company has a clear and transparent shareholder structure. There is no a stock pyramid or cross-holding among major shareholders, thereby preventing any conflict of interest or transfer of benefits from one party to another. Recently, the proportion of Free-Float stock of the company is 59%.
- Shareholders who are the company's executives will not add any unnecessary and unannounced agendas, especially important agendas, which require other shareholders to take time to study.
- The company has never neglected treating shareholders equitably and fairly regarding share repurchase never obstructed shareholders to contact each other and also never omitted to reveal Shareholders agreement which may considerably affect on the company or other shareholders.



## Section 2 – Equitable Treatment of Stakeholders

The Company has complied with the policy to treat its shareholders equally by placing emphasis on equality of both major and small shareholders, and attaching importance to their fundamental rights and encouraging them to exercise their rights as given by law. Information is provided completely and equally to make the shareholders feel confident in making investments, and provide benefits and share profits on an equal basis. Consequently, meeting of the shareholders is arranged under the following policies:

- In voting for each agenda, each shareholder or a proxy authorized by any shareholder to vote on his/her behalf was entitled to vote equal to the number of shares held, whereby one share would be equal to one vote.
- Recently, there is only ordinary share traded. However, if the company releases more than one type of stock, the rights to vote for each type will be announced to the shareholders.
- Allowing each shareholder to propose agenda for consideration and director nominee at a shareholders' meeting ahead of the actual meeting date via the company's Email address: ir@cmo-group.com. Besides, the shareholder can directly propose the agenda to the company secretary department by mail.
- The company has developed the code of conduct as well as an insider trading and confidentially policy for the executive persons, and the employees in writing. In order to be aware of it and use it as the guideline for execution of their duties honestly and morally and must not use the insider information as personal interest.
- The company has disclosed connected transactions including names, relationship of the connected persons and also pricing policy by strictly following the rules, regulations, and orders of the Stock Exchange of Thailand.
- There is no conflict of interest transaction between the company and affiliated companies. Just only ordinary transactions are executed.
- Any shareholder who is unable to attend the meeting is entitled to appoint a representative, e.g., an independent director or other person, to act as proxy, using any one of the proxy forms A, B and C attached to the notice of the Meeting. For shareholders' convenience, the document for using with proxy is an ordinary such as identification card. Furthermore, the company provides the duty stamp to be sealed on the proxy form.
- The company sends each of the shareholders a letter identifying the date of the meeting including the meeting documents both Thai and English at least 14 days prior the meeting. Besides, the company has a policy to announce both Thai and English information via CMO Group's website: <http://www.cmo-group.com/ir> at least 14 days before the meeting.

- The company has disclosed the information regarding directors and executives' share hold in the company complied with regulations of Securities and Exchange Commission and the Stock Exchange of Thailand. Besides, the company has no connected transactions involved with financial support to a company which is not an affiliated company.
- Not have directors or boards trading securities by using internal information in this year.
- During year, the company conducted connects transaction and trading securities regulations by strictly following the rules, regulations, and orders of the Stock Exchange of Thailand.

## Section 3 – Roles of Stakeholders

The company realizes the importance of all groups of stakeholders. The rights of stakeholders that are established by law or through mutual agreements are to be respected. Stakeholders consist of shareholders, employees, creditors, debtors, customers, auditors, independent assessors, and communities which are equitable treated each group.

- The company provides CSR Report, focused on customers, suppliers, competitors and human rights, as a part of Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) and can be download from the company's website.
- The company has set policies to the stakeholders as follows

### Customers

- o The Company strictly honors agreement and regularly coordinates with its customers to deliver products of quality matching customers' needs in a timely manner. Besides, the customer confidentiality policy has been announced to all employees.

### Employees

- o The company recruits, adopts, and hires staff based on qualifications, experience, and competence for suitable positions as well as equally promotes their career advancement. The Company provides a full range of social welfare services and benefits to our employees such as medical expense reimbursement, accidental insurance and provident fund in order to take care of the employees for long-term.
- o The company has provided a safety personal to establish safety and health for employees in the workplace. However, there is no disclosure of accident statistics.
- o The company has set a policy to develop employees' knowledge, skills, and expertise through important training courses and also send all records to the Department of Skill Development of Thailand.
- o The board of directors has policy irrelevant with human right in social responsibility report.

**Government**

- o The Company not only strictly follows the provisions of laws and regulations issued by supervisory agencies but also supports public-sector projects to foster the best interests of society.

**Suppliers**

- o The Company treats all suppliers fairly and appropriately as well as offers an opportunity for new suppliers to present their products and services.
- o The company has no written policy about performing with creditors. However, the company complies with the terms of loans and obligations to its creditors such as business creditors as well as strictly follows contracts and laws.

**Competitors**

- o The Company treats its competitors professionally and fairly. Besides, the company participates in the establishment of the Business of Creative and Event Management Association (EMA) which aims to set a standard of event business quality and provide the knowledge to public.

**Society**

- o The Company has set policies to benefit the society in the fields of art and culture such as being a sponsor of the Bangkok Sculpture Center, non-profit organization that promotes and supports local Thai sculptors. At the center, visitors can see a number of sculptures by local artists with free of charge.
- o Even though the company has not yet complied with an environmental management standard (ISO), the company persuades employees to aware of environmental issues. Furthermore, a policy regarding re-use of such materials is introduced to employees.
- The company's information technology department has set a policy which informs employees to avoid copyright and intellectual property violations.
- The company has not yet applied for the certification of its anti-corruption compliance program. However, the board of directors places importance on countering corruption and has assigned the management team to study and apply a code of conduct for suppliers about anti-corruption compliance program.
- The Board of Directors evaluates the corporate fraudulent risks via an Auditor assessment and controls against corruption. Besides, the Audit Committee has reviewed the internal control measures including the supervision on compliance with the principle of anti-corruption measures as well as the risk assessment. It has also provided recommendations and reported on review results to protect against corruption measures to the Board of Directors. The results of the internal audit carried out in accordance with the principle of anti-corruption measures revealed no weakness or defect in the internal control system in material matters, and the Audit Committee is of the opinion that the Company has appropriate internal control system, sufficient supervision of risk to protect against corruption measures.

- The company allows participation of stakeholders to report dishonesty or non-compliance with their rights via Email Address: ir@cmo-group.com. The company has also set a whistleblowing policy for employees who are allowed to inform on a person or organization engaged in an illicit activity to the internal audit department or the company secretary department directly. The company assures to secretly investigate and all information will be keep confidential.
- The company has set a remuneration policy including salary and annual bonus, in line with the company's operating results and the performance of each employee.
- The company strictly follows all applicable laws, rules, and regulations of all stakeholders including labor, customers, competitors and environment. Besides, the company has never violated any laws and regulations and never penalized by Securities and Exchange Commission and the Stock Exchange of Thailand due to non-disclosure important information in timely manner.

## Section 4 – Operational Transparency and Information Disclosure

The company emphasizes on operational transparency and disclosure of sufficient information that affects the decisions of the investors reliably, regularly and in timely manner.

- The company has elucidated the top 10 lists of major shareholders including board of directors and executives in the annual report.
- The Company has reported the significant information via the SET Form 56-1 and annual report 56-2 as well as its website within 120 days since the end of accounting period.
- The company's annual report consists of complete information useful for shareholders. Its detail is covered as follows:
  - o Objectives and goals of the company
  - o Financial statement and performance including financial analysis, the industry and competency analysis report
  - o Business structure including direct and indirect holding through the company, subsidiaries, associates, jointly-controlled entity and other companies
  - o Business risks analysis, effect and protection against risks
  - o Good corporate governance practices
  - o Dividend policy including reasons, rate of payment and related information.
  - o The information regarding directors and independent directors such as names, qualifications, experience, roles, meeting attendance.



- o Disclosure of remuneration for each director and total remuneration for all executives. The board of directors carefully considers on remuneration of the board directors and executives. Such remuneration is in the same level as that offered by other companies in the industry and good enough to attract and keep qualified directors.
- o The training records of each director.
- o Disclosure of connected transactions including names, relationship of the connected persons and also pricing policy complied with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission and approved by the board of directors.
- o A policy governing conflicts of interest, the company has assigned the directors and the top 4 lists of executives to present the conflict of interest report according to the Stock and Stock Market Act B.E. 2551(A.D. 2008)
- o A policy which the Board of Directors will monitor all required actions in accordance with the related measures. Any changes in the shareholding of a director or top executive must be reported in every Board of Directors' meeting. Besides, the company discloses the shareholding of a director or top executive at the beginning, during and the end of year.
- o The financial statements which are reviewed and expressed unqualified opinion by external auditor, accepted by the Securities and Exchange Commission Thailand. The company also reveals audit fees including other fees (if any)
- Apart from the SET Form 56-1 and annual report 56-2, the company has other channels for communicating with shareholders as follows
  - o The Investor Relations Department in order to coordinate with shareholders, property analysts, stock analysts, relevant government agencies, and general people in order to present them information and make them confident that the company is able to disclose important and correct information in a timely and transparent manner.
  - o The company's website <http://www.cmo-group.com> in both Thai and English which contains company's information, news, financial statements, major shareholders, company's structure, directors and executive information, investor relations, company's regulation, annual report etc.
  - o Press conferences and the executives interview about business circumstance
- During year, the company has delivered the financial statements in timely manner and never been decreed to rectify the financial statement by the Securities and Exchange Commission Thailand.

## Section 5 – Responsibilities of the Committee

The company's board of directors consists of members with such qualities as leadership, vision, experiences, and expertise in required fields to facilitate the company operation and to best benefit the shareholders.

- The directors and management executives participate in the company operation to assure that the policies, directions, strategies and management structures are efficient and effective. Furthermore, the directors and management executives also participate in the mission and vision statements which are reconsidered every couple of years.
- The company has developed the code of conduct for the directors, executives and employees in writing. In order to be aware of it and use it as the guideline for execution of their duties honestly and morally and must not use the insider information as personal interest. The company has disclosed the code of conduct in its website
- The directors will hold the position for a term of three years.
- The company has not set a policy to limit a period of the independent director. However, when the independent director holds a directorship over 9 years, the company will convince shareholders that the director is still able to perform a directorship independently.
- The Board of Directors is composed of six directors, three of which are independent directors. The company discloses information on the appointment of each director including position start date to shareholders in the SET Form 56-1 and the annual report 56-2.
- The directors or management executives have never been an auditor of the company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, subsidiary, associate, major shareholder or controlling person.
- There are five directors, who are not a member of management, have a full understanding of accounting, finance, law, architecture and business management.
- There is an independent director who takes a position as director for more than 5 listed companies.
- There is no director, who is a member of the management, holds a directorship more than 2 companies.
- The Board of Directors participates in the company's operation which complies with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. This year, no record of the Board of Directors who has violated the rules.
- The company has not yet established a compliance unit however, a company's secretary is assigned to suggest about laws and regulations that the committee needs to know and comply with.
- The Audit Committee takes responsibilities to review of the internal control system through the internal audit department which reports directly to the audit committee. The qualifications and experience of the internal audit manager are disclosed in the Company's annual report.
- The company discloses the report of audit committee which provides information as follows:

- o Disclosure of each audit committee meeting attendance
- o Review of the internal control system through the internal audit department, reports directly to the Audit Committee.
- o Review and consideration of the financial statement which is prepared under the accounting standard accepted nationwide. Appropriate accounting policy will be selected. Preparation of the financial statement will be performed in a regular and careful manner. Sufficient information will be disclosed in the notes to the financial statements.
- o Review company's compliance with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand as well as other related laws.
- o Selection and appointment of external auditor, accepted by the Securities and Exchange Commission Thailand.
- o The conclusions / comments on the internal control system
- The company has not revealed a procedure of director recruitment. In practice, however, the board of director has a discussion to nominate an appropriate person. Once the new director is adopted, the company will inform to the Stock Exchange of Thailand and the Securities and Exchange Commission.
- The company engaged a consulting firm to explore a candidate nominated for independent director at first time. To ensure that the company obtained an independently experienced director.
- New directors will be orientation about all important information for the company.
- The Company supports all directors to participate in training courses which are appropriate for directors. All directors must attended training conducted by Thai Institute of Directors Association (IOD). The directors training programs are also disclosed in the Annual Report.
- The company promotes the training and education for those related to supervision of the company's business operation, including the executives, secretaries, and internal audit unit, for improvement of their performance. Related persons are encouraged to participate in the training arranged by the Stock Exchange of Thailand or relevant associations.
- The company has followed the Public Company Limited Act, which requires the board of directors to hold at least one meeting every three months. The board has prepared the meeting in advance and called for additional meeting as necessary. In 2017, there were 4 meetings of the board of directors. The average attendance of the meetings is 95 percent.
- The secretary informed the directors for the meeting date and sent them the agendas and documents at least 5 days in advance. Each Meeting, the directors are allowed to express their opinion independently. Besides, the company has set a quorum in which directors at least two thirds have to attend the meeting.
- The company has never impeded the independent directors to conduct self-meeting which is usually before the audit committee meeting as necessary.
- The Risk Management Committee has been established and a risk management policy was written and approved by the Risk Management Committee. The Risk Management Committee consists of the head of each

departments and the chairman is Mr. Anant Gatepithaya, an independent director. A Risk Management conference was held to be ensured that risks will be carefully determined and continuously monitored.

- The company discloses its Internal Control which is considered by the audit committee in the SET form 56-1 and the annual report 56-2.
- The board has a policy to avoid connected transactions or any transactions that may cause conflict of interest. However, in the event of a connected transaction, the company has assigned relevant divisions to gather information relating to such connected transaction to present to the audit committee who will consider and present the opinions concerning such matter to the board of directors and the shareholders for approval, which complied with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission. Besides, the stakeholders of such matter will not be allowed to make an approval vote.
- The company has set the responsibilities of directors and also disclose authorities level in Annual Registration Statement (Form 56-1), Annual Report (Form 56-2).
- Currently, the company has not yet established other sub committees such as Remuneration Committee, Nomination Committee. However, the Board of Directors has realized their importance and may place consideration to institute other subcommittees in an appropriate circumstance.
- The company provides a secretary who is assigned to suggest about laws and regulations that the committee needs to know and comply with. The company secretary was educated in the field of finance, her qualifications and experiences are also disclosed in the company's annual report.
- The company's Board of Directors has appointed an audit committee, consists of three independent directors according to regulations set by the Stock Exchange of Thailand. Besides, qualifications and experiences of the Audit Committee are disclosed in the company's annual report. There is a President of Audit Committee who has knowledge, expertise and experience in the fields of accounting and finance.
- The Audit Committee performed its duties independently, as assigned by the Board of Directors in accordance with the Audit Committee Charter to verify the adequacy of corporate governance in line with the regulations and good practices guideline for the audit committees of the Securities and Exchange Commission and the Stock Exchange of Thailand. These duties included reviewing the financial statements and corporate governance practices, assessing the risk management system, internal control and internal audit systems and fraud investigations, proposing the appointment of external auditors as well as providing comments on the appointment, removal, transfer, or dismissal of the head of the Internal Audit Department.
- The Audit Committee holds at least one meeting every three months regularly. In 2017, there were 5 meetings of the Audit Committee. The meeting attendance is disclosed in the report of Audit Committee. During year, two directors attended every meeting whereas the other attended three meetings. The average attendance of the meetings is 93 percent.



- Currently there were only Audit committee and Risk Management Committee established in the company. However, the company may establish other committee if necessary.
- The company has Risk Management Committee and the president is an independent. Other member came from 13 business units in company.
- The Board of Directors consists of six members in which three of them are independent members (50%). Besides, one of the independent members is a lady. There are five directors who are not the company executives (83%).
- The company discloses a definition of director independence which complied with the standard set by Securities and Exchange Commission and the Stock Exchange of Thailand in the SET 56-1. The Independent directors shall not be an employee and not be a person related by blood or legal registration of an executive, major shareholder in order to be exactly independent.
- Currently, the annual report has not yet contained a report on the Board of Directors' responsibilities for Financial Statements published in. However, the company provides a report on Management Executive's Responsibilities together with an Independent auditor's report for Financial Statements.
- With the shareholder's approval, the Company used to offer a right to their executives and employees who have over 5 years working period for purchasing company's shares as long-term incentive. The right would be expired within 3 years and the exercise price was not higher than the market price at the time of allocation. Besides, the right had been distributed to the appropriate hierarchy of the different executives.
- The company has not yet applied for the certification of its anti-corruption compliance program. However, the board of directors has placed importance on countering corruption and assigned the management team to study about anti-corruption compliance program. Furthermore, the Audit Committee has reviewed the internal control measures including the supervision on compliance with the principle of anti-corruption measures as well as the risk assessment. It has also provided recommendations and reported on review results to protect against corruption measures to the Board of Directors. Previously, the company and the management executives have not been convicted of violating security or stock exchange laws by an agency with authority under that certain law. Such wrongful acts include those involved with unfair trading in shares or perpetration of deception, fraud corruption or immoral.
- The company has never had an incident which its executives resigned fallout from an issue of corporate governance. Besides, the directors have never been disgraced due to responsibility failure.

## 8.1 Confidentiality and use of internal information

The company recognizes the importance of protecting the company's internal information to private interests and external information to protect against impact damage that would be caused to the company's reputation and business. Prohibiting to do trading 2 weeks before financial announcement to public as well as not trading securities within 7 days. In order to maintain the company's confidentiality and prudence is necessary, the cooperation of employees at all levels are is considered to be important. If employees disclose sensitive information of the company, they shall be guilty according to the disciplinary regulations of the company.

## 8.2 The return on external audit

### 8.2.1 The return on external audit

The company and sub-company will pay the return of auditing in 2017 to ANS Audit Company Limited in 2,573,930 Baht.

Unit : Baht

Type of Return	2017	2017	Increase/Decrease	
	Budget	Actual	Baht	%
Audit fees	1,250,000	1,528,700	278,700	18.23%
Audit fees (Subsidiary)	810,000	1,045,230	235,230	29.04%
Other Service fees	-	-	-	-
Total	2,060,000	2,573,930	513,930	24.95%

### 8.2.2 Other Fees

- None -



# 09

## Corporate Social Responsibility

### 9.1 Policy and Overview

The policy of the Board of the Directors in operating the business of the company and subsidiaries is not only to gain benefits for the company, but also to be aware of corporate social responsibility and environment as well as the stakeholders, as signified in many activities organized jointly by the company and employees in the past year.

#### (1) Fair Business Operation

The principles that the company always adheres to when operating its business are fair and equal practice, both with business partners and clients, to perform duties honestly, by encouraging all employees to abide by the policy and business integrity, to be honest and transparent, not to seek personal benefits that are disaccord with the benefits of the company and the stakeholders, including keeping business confidentiality.





## (2) Anti-Corruption

The company has a concrete policy to promote anti-corruption, both at internal and external levels, emphasizing on the acknowledgement of the policy by management of every unit. Then, the management shall convey it to all levels of employees how to behave straightforwardly, with righteousness and accountability in their duties strictly, not to involve in all forms of corruption.

Moreover, company has the notice box for everyone to share their opinion, comment and advice or corruption information directly to management.

## (3) Respect in Human Right

The company complies strictly with the Labor Law, treats all employees fairly and equally without any prejudice or discrimination by gender or religion. There shall not be neither obstruction nor privilege bestowed upon any particular person as special case as a result of differences in nationality, religion, gender, age, language, physical or health condition as well as social status, social belief or social opinion.

The company promotes employee participation in order to create good working relation. There is a procedure to follow up, monitor and control to prevent business operation of the company and its employees from acting or taking part in ignoring and violation of human right.

## (4) Fair Practice to Employees

The company is well aware of how precious resource each employee is to the company, as a drive to move forward the company to grow securely. Therefore, the company attends to and treats all employees equally including supporting development of different aspects of potentialities for self-development and progress.



In 2017, the company organized activities in promoting and developing of personnel in the following major areas, namely

1. Medical Checkup: Proper programmes were provided to match the age ranges of employees. For convenience, the medical checkup was delivered by a hospital to the office premise. In case, any employee was absent on the date of medical checkup, such employee could go to the hospital for the service free of charge.

In addition, the company negotiated with the hospital for extra privilege for checkups of other items besides the items specified in the programmes at special rates.

2. Provision of additional welfare beyond what is stipulated by law such as medical treatment as in or out-patient, insurance coverage for dental treatment, eyesight care including group accident insurance, welfare contribution for various occasions (marriage, ordination, and funeral).

3. Provide loan sources for domicile at special rate

4. Encourage saving of employees by establishing voluntary provident fund





5. Support training courses and seminars for employees both in-house and outside the company to gain additional knowledge relevant to jobs and duties.

6. Organize activities that promote corporate internal relationship such as New Year parties, make merit to monks (photos of activities), team building (photos of activities), to build up solidarity among employee.

7. Provide fitness room with professional trainer for common use.





**(5) Responsibility for Customers, Investors, Partners, Employees, and Other Stakeholders**

The customers, investors, partners, employees, and other stakeholders should be treated equally under accurately disclose, transparency and timely information. We also provide standard services to serve customers' need and lead to gain revenue and business sustainability.

It is more than just well-accomplishment of jobs as expected by the clients. The company is pleased to give advice and assistance for improvement even for the job which is not under the company's responsibility. This is because the company works together with clients as partner, not just to work as hired.

**Responsibility for the Stakeholders Engagement**

Building relationship with Stakeholders, divides Stakeholders into 8 groups, including Shareholder, Customer, Partners, Competitors, Bank, Employees, Community and Society and Environment.

**Communication Channels with Stakeholders**

Stakeholder	Communication	Expectation	Feedback	Result
1. Employee	- Activities and seminar - Other communications - Job's evaluation	- Progress in career path - Suitable benefits - Good welfare - More knowledge	- Treating employees equally and impartially - Providing suitable/appropriate provident fund and benefits - Providing applicable training course for employee's individual development. - Providing employee engagement activities	- Engaged employee - Reduce employee turnover - Employee feel secure and happy with their job and workplace.
2. Customers	- Customer's need - Set up a good procedure's standard	- Quality service - Customer confident	- Completeness & Efficiency service - Improve employee's skill - Technology + Innovation + New Idias	- Customer's satisfied - Fasinat and be come a permanent customer - Partnership
3. Partners	- Procurement Department - Exchange ideas and suggestions - Share knowledge and working skill	- Good procurement process - Follow the conditions - Act business partners with fairness	- Strictly operation - Can trustworthy and audit - Payment on due	- Have a good partnership - Ongoing business - Gowthing together - Partnership
4. Bank	- Company visit - Other informations	- Comply with Bank's regulations	- Loan repayment on time	- Support our business continuously
5. Shareholder, Investor, Analyst	- Annual General Meeting - Annual report - Investor Relation - Company visit	- High return - Stock valuation - Act to all shareholder equally - Business' Growth	- business profits - Good governance - Act to all shareholder equally - Investor Relation team - Disclosure	- Keep on support - Trusting
6. Social & Community	- Bangkok Sculpture Center	- Art's Knowledge - Academic's Knowledge	- Have an intern - Share knowledge and skill of event management	- Academy and community appreciate - Nice relationship with community - Interested form new generation
7. Environment	- Reduce energy by other chanel - Energy saving campaign	- Participate in energy saving campaign	- Save engerine campaign - Paper useless	- Employee realize the value of resources - Cost Saving
8. Competitors	- Annual report - News from other media	- Fair competition - Do not seeking confidential information from competitors by corrupt ways	- Business policy	- Ethical business

**(6) Keeping the Environment**

The responsibility towards environment is another subject which the company gives priority to, by attending to both internal and external levels.

**Internal**

1. There is a campaign on energy saving for common interest such as switch off electricity-turn off water supply when not in use, turn off air conditioner during lunch time, turn off computers when not in use.
2. Clean air conditioner regularly
3. When purchase new equipment, consider working function and energy saving feature
4. Reduce unnecessary paper usage
5. Sort garbage before disposal
6. Has concern about reducing use of energy to help the environment. Our new office building is designed to have a glass wall to help lower lighting use in daytime.

**External**

1. Select materials that can be recycled for building structure, taking into consideration the least garbage disposal
2. When there are a great number of project staff, a central service point for food and drinking water is provided in order to reduce quantity of garbage and food containers

**(7) Participation in Community and Social Development**

Participation in community and social development is widely-opened for all employees who can propose various projects to call for cooperation from colleagues. In the past year, there were a lot of projects that completed successfully with the cooperation of every employee such as the donation in kind for a home for orphans, merit making, the improvement of residential units for orphans.

**(8) Innovation and Publication**

Company always considers to deliver works which match up with client satisfaction and not increase pollution to environment. Most of the event, team will choose reuse material such as using LED Screen replace Ink Jet on vinyl plastic or Wood Screen. LED Screen can be used and adjust in various direction.



## 9.2 Activity for social and community

### 9.2.1 Art Knowledge

The Bangkok Sculpture Centre is a non-profit private organization, established to promote Thai art. The center is privately funded and open for public visit.

Bangkok Sculpture Center is a non-profit private organization, established to promote Thai art by presenting the long journey of Thai sculpture history. This center is free admission for public, students, and college students including the media channels.

Bangkok Sculpture Center is in the corporate social responsibility of CMO Public Company Limited with a utility area of 4,000 square meters. The collection showcases remarkable sculptures from the ancient Buddhist art era to the present time with more than 200 art pieces.

Bangkok Sculpture Center aspires to promote and support sculpture art of Thailand by gathering the important Thai sculptures, lending the sculptures for public display and organizing exhibitions. At present, Bangkok Sculpture Center has a branch at Bangkok Art and Culture Centre that facilitates and attracts more visitors. Bangkok Sculpture Center's branch organizes the temporary exhibition 3 times per year.

For more information, please visit <http://www.bangkoksculpturecenter.org>



In 2017, Bangkok Sculpture Center on Nuanchan Rd ( Soi Nuanchan 56) welcomed more than 3,800 visitors and Bangkok Sculpture Center's branch has 33,336 visitors.



### 9.2.2 Academic Knowledge

Due to CMO Group PLC is leading company of providing ultimate experience and managing events with holistic solutions in Asian by focusing on “creativity” which is our business philosophy for more than 3 decades. As a result of this importance, many leading of academic institutions and universities around country are interested to study our operation and academic lecture for instances event management, creativity thinking and completed media solution as well as branding and cooperate communication skill.

CMO Group PCL play a role as a second school for students by arranging specialists in different expertise to become lecturers in order to provide knowledge, skills and experiences beyond the class at the school or university. The course will include event management from beginning design, preparation, finding equipment and human management, the purpose is to make students understand clearly in job design and operation.

In 2017, there were many faculty and students more than 30 institutions in both public and private sections to visit us by each of visit is free of charge.





# 10

## Internal Control and Risk Management

CMO Public Company Limited has established suitable and efficient internal control and internal audit system that governs the financial, management and operational aspects for greater effectiveness and efficiency in accordance with related laws and regulations. Meanwhile, an emphasis is placed on continuous improvement according to COSO (The Committee of Sponsoring Organizations of Treadway Commission). The Audit Committee has been established to assure internal control measures as well as providing advice and reporting on audit result to the Board of Directors of the Company on a regular basis. In addition, the Company has been audited to ensure a correct financial report with sufficient disclosure as well as compliance with the Securities and Exchange law, the regulations of the Stock Exchange of Thailand and business relating laws.





The company has appointed the Audit Committee, comprised of three independent directors, which performs duties and responsibilities in accordance with the Audit Committee Charter. Operation of the Audit Committee is consistent with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission by using the internal audit department as a tool. The head of Internal Audit and the audit committee secretary is Mr. Vuttiphon Tanametanon, Internal Audit Director, which has been appropriately considered by the Audit Committee. To be an independent department, the Audit Committee will consider appointing, promoting or dismissing the head of internal audit as be defined in the Audit Committee Charter.

Consequently, the internal control system can be assured that it has efficient and suitable practices with current business circumstances. Furthermore, the Audit Committee performed duties to review the quarterly and annual financial statements and also connected transactions between the company and its subsidiaries and related parties to ensure that the company has a good corporate governance. In the opinion of the Audit Committee, the company has a good business supervision system in accordance with the corporate governance principles and appropriate and sufficient internal control system. The internal control system has presented no transactions that essentially affected the company.

Besides, the Company's auditor is ANS Audit Co.,Ltd, which had audited quarterly and annual financial statements of 2017 as well as the Company's internal control. The auditor has not found any observation and defects which would have any significant impact on the Company's financial statements.

The Board of Directors determined the internal control which has been analyzed by the Audit Committee. This can be concluded that CMO Group has designed and developed its internal control system in efficiency and effectiveness. The organization chart has been determined appropriately with the business plan and business environment. Each department has its responsibility and can be independently verified each other. Besides, a risk management is one of the agendas placing in an administrative conference to be ensured that risks will be carefully determined and continuously monitored. Besides, the company recruits, adopts, and hires staff based on qualifications, experience, and competence for suitable positions. As a result, the company assures that the internal control system is efficient and suitable practices with current business circumstances and also complies with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand as well as other related laws.

**Name** Mr. VUTTI PHAN TANAMETANONT  
**Age** 41  
**Position** Internal Audit Director  
**Education** Master of Commerce, Major in Marketing,  
 Minor in Accountancy, The University of Sydney  
 Bachelor's Degree in Accountancy, Kasetsart University

#### **Experiences & Special training courses**

##### **Experiences**

- 2015 - Recent : Internal Audit Director, CMO Plc.
- 2013 - 2015 : Senior Internal Audit Manager, CMO Plc.
- 2010 - 2013 : Internal Audit Manager, CMO Plc.
- 2004 - 2010 : Senior Internal Auditor, CMO Plc.
- 1999 - 2002 : Internal Auditor, Siam Cement Public Company Limited

##### **Special training courses**

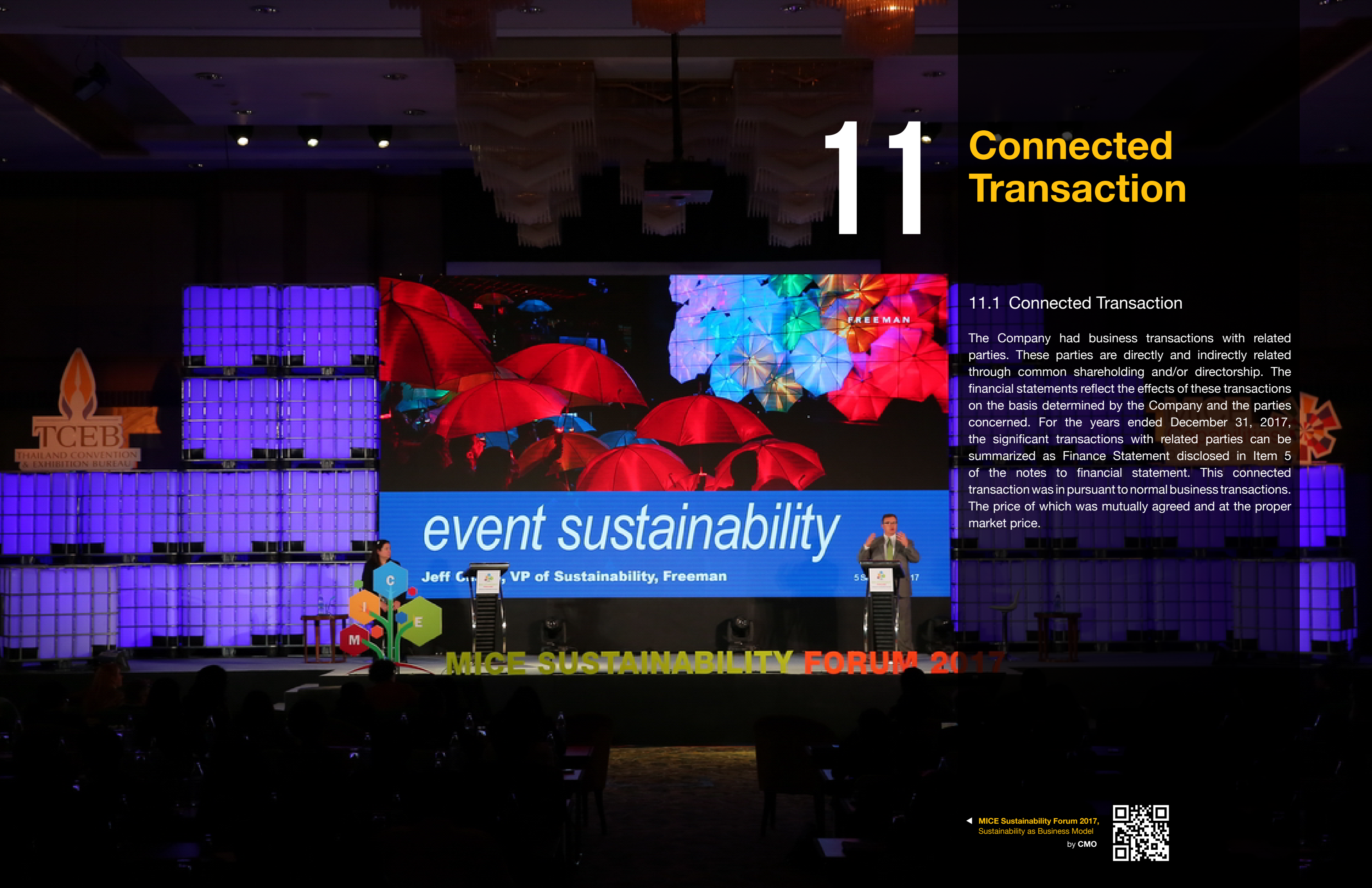
- 2017 : A guide to join Thailand's Private Sector  
Collective Action Coalition Against Corruption (CAC)
- 2015 : Strategic Risk Management : Thailand Productivity Institute
- 2014 : The Challenging of Sustainable Development  
for Audit Committee, SEC
- 2014 : Roundtable Discussion : Practical problems of  
Risk Management and Internal Control System,  
Risk Management and Internal Control Club,  
Thai Listed Companies Association
- 2010 : The Cognizance of Corruption,  
Federation of Accounting Professions
- 2007 : Are you ready to be a good internal auditor?,  
The Institute of Internal Auditors of Thailand
- 2006 : What an auditor can do in order to help the Audit Committee?,  
Federation of Accounting Professions
- 2005 : Internal Audit with Value-Added in the organization,  
The Institute of Internal Auditors of Thailand
- 2005 : ICT Management Forum 2006 : Risk Management,  
The Institute of Internal Auditors of Thailand
- 2004 : Improving internal control in order to be a public  
company, ANS Audit Co.,LTD

# 11

## Connected Transaction

### 11.1 Connected Transaction

The Company had business transactions with related parties. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned. For the years ended December 31, 2017, the significant transactions with related parties can be summarized as Finance Statement disclosed in Item 5 of the notes to financial statement. This connected transaction was in pursuant to normal business transactions. The price of which was mutually agreed and at the proper market price.





The followings present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have common directors or shareholders with the Company.

Related parties	Nature of relationships	% Equity interest	
		owned by the Company	
		2017	2016
PM Center Co., Ltd.	Subsidiary company	99.99	99.99
The Eyes Co., Ltd.	Subsidiary company	99.95	99.95
Exposition Technology Co., Ltd.	Subsidiary company	40.00	40.00
Momentum S Co., Ltd.	Subsidiary company	6.99	60.00
CMO – T1 Asia Corporation Co., Ltd.	Subsidiary company	39.99	39.99
Muse Corporation Co., Ltd.	Subsidiary company	69.99	69.99
CMO Show Crop Co.,Ltd.	Joint Venture	50.00	50.00
Rightman Co., Ltd.	Common directors and shareholdings	-	-

During the years ended December 31, 2017 and 2016, the Company had movements on loans to related parties as follows:-

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Short-term loan to related parties</b>				
PM Center Co., Ltd.	-	-	76,000	76,000
The Eyes Co., Ltd.	-	-	12,500	12,000
Momentum S Co., Ltd.	-	-	14,600	3,700
Total short-term loan to related parties-net	-	-	103,100	91,700
<b>Long-term loan to related parties</b>				
CMO Show Corp Co., Ltd.	35,580	-	35,580	-
Total long-term loan to related parties	35,580	-	35,580	-
Less : Allowance for long-term loans to related parties”	(1,781)	-	(1,781)	-
Total long-term loan to related parties-net	33,799	-	33,799	-

- This transaction is a providing financial assistance to subsidiaries and Joint Venture Company.
- Company was charge interest rate at MOR to MOR +1 per annum for subsidiaries and 5% per annum for Joint Venture Company

## 11.2 Approval Procedure for Entering into a Connected Transaction

The company or subsidiaries may enter into a connected transaction with a person who may have conflict of interest with the company when approved by the board of directors or the meeting of the shareholders prior to entering into the transaction. Thus, it depends on the size of the transaction as stipulated by the Stock Exchange of Thailand. However, the connected transaction that the directors or the persons who may have conflict of interest or any other conflicts of benefits with the company, the directors who have interest from entering into such connected transaction shall be precluded from having voting rights in this matter. For this purpose, this execution shall not be in the nature of authorization that entitle an acting person to approve the transaction for the directors or the person who may have conflict of interest or conflicts in any form of benefit with the company or subsidiaries. Except, it is the normal business transaction or the transaction that have been approved by the resolution of the board of directors meeting attended by independent directors and the framework for consideration had been clearly set.

## 11.3 Policy on Entering into a Connected Transaction in the Future

Audit Committee and the company shall jointly supervise the connected transaction that shall take place in the future to ensure that it is reasonable and approved in pursuant to the procedure and the Notification of the Stock Exchange of Thailand and to disclose the information on the connected transaction clearly.

# 12

## Management's Discussion and Analysis

### Overview- Operation performance, financial status and significant change

In the year 2017, total service revenue of CMO group was Baht 1,362.24 million, increase from Baht 1,199.65 million in 2016 or about 13.55 percent increasing. Due to, entitle of marketing situation was recover into normal circumstance. Moreover, there were less marketing events in year 2016. Many events were postponed to year 2017 which made the market bustle.

In overall of 2017, the economic environment and political pressure were better than year 2016. Related statistic indexes were relieve, concordance with world economic. Moreover, rule and regulation of internal country was also relieved in many issues which drove activeness marketing environment. Marketing budget was also escalating in many industries, example communication, property, banking and financing and retail in year 2017.

For other income in 2017 was increase by 4.49% from year 2016. Mainly, it was divided to selling used equipment and venue rental for commercial and TV's series continuing from year 2016.

As at 31 December 2017, CMO Group had total assets amounted Baht 1,180.34 million which close to year 2016 at Baht 1,180.55 million. Total liability was Bath 712.84 million in year 2016 compare with Baht 725.74 million in year 2016.





## 1. Results of Operations

### 1.1 Revenues

In 2016, CMO group had revenue from service Baht 1,362.24 million increased from 1,199.65 in 2016 by Baht 1162.59 million or 13.55 percent. This increasing was caused by recover of internal country's economic, mainly. Especially, the 4th quarter was the most peak period of marketing events.

Source of CMO group's revenue in 2017 compare to 2016 was as follow :

Business	Sale (Million)		Change	
	2017	2016	%	%
Event Management	679.85	709.38	-29.53	-4.34%
Equipment Rental	637.97	471.97	166	26.02%
Multimedia	22.63	18.3	4.33	19.13%
Online Marketing	21.79	0	21.79	100.00%

Form the table shown revenue from Event Management was decreased in year 2017. On the other hand, the equipment rental service was increased. Because of, marketing condition was improved in overview. Company's rental equipment market was expanding by both rent directly to clients and rent indirect to others organizers, including utility providing service in exhibition hall. These made the rental service part growth rapidly in year 2017.

### 1.2 Cost of services and Gross Margin

Cost of services was slightly decreased from 83.2 percent in year 2016 to 76.6 percent in year 2016. Due to, Group of company has cost efficiency campaign during the year, which was success in cost controlling.

### 1.3 Selling and administrative expenses

Selling and administrative expenses was Baht 205.21 million or 15.1 percent of total revenues in 2017 compare with year 2016 which was Baht 205.90 million or 17.2 percent of total revenues. Due to, group of company had cost reduction campaign which has good participation. Company had no any celebration event this year.

### 1.4 Finance Expense

Due to, company has reorganized cash flow both account receivable and account payable by using effective financial instrument. In 2017, CMO group had financial costs Baht 25.40 million decreased by 2.59 million baht from 2016 that had finance costs Baht 27.99 million or 9.27 percent decreasing.

For allowance and impairment in 2017, there was no significant allowance for doubtful account receivable. There was adequate impairment on investment which was evaluated by external auditor and the company regarding future revenue and benefit.

### 1.5 Net profit

As a result of revenues, cost of service, selling and administrative expenses and finance cost as above, CMO group had net profit Baht 43.57 million in 2017, which divided into Baht 36.19 million of equity holder of the company and Baht 7.38 million of non-controlling interests, compared with net lost Baht 32.04 million in 2016.

Separate financial statement has net profit Baht 52.70 million in year 2017, compare with net profit Baht 42.07 million in year 2016.

### 1.6 Return on Equity

	2017	2016
Return on equity (%)	7.85	-9.84

Year 2017, consolidated financial statement has shown return on equity (ROE) at rate 7.85 which getting upward than rate -9.84 in year 2016.

## 2. Liquidity and Capital Resources

Assets (Unit : Million)	2017		2016	
	Amount	%	Amount	%
Current Assets	406.7	34.46%	324.1	27.45%
Property & Building	460.1	38.98%	482.0	40.83%
Equipment	153.3	12.99%	201.4	17.06%
Others	160.2	13.58%	173.0	14.65%
Total Non-Current Assets	773.6	65.54%	856.4	72.55%
Total Asset	1,180.3	100.00%	1,180.5	100.00%

### 2.1 Asset

As at December 31, 2017 total assets of the group was Baht 1,180.34 million divided by current assets was Baht 406.7 million and non-current assets was Baht 773.75 million while in the same period of 2016, total assets of the group was Baht 1,180.5 million divided by current assets was Baht 324.1 million and non-current assets was Baht 856.4 million.

The portion of non-current assets was decreased from property, plant and equipment section. Due to, Company had sale some of the obsolete equipment, to save maintenance cost. Beside, depreciation cost of the equipment was done in calculation every year.

## 2.2 Work in process and Inventory

In year 2017, company has work-in-process and inventory baht 21.2 million which was long period event and museum process. They all were in process of submit and approve. There was not issue in under quality out of date or deteriorate inventory.

## 2.3 Quality of Account Receivable

	2017	2016
Account receivable turnover (time)	4.19	4.28
Average collection period (days)	87.10	85.25

Company has credit term policy 60 days for general client and longer for government client. Year 2017, company has AR date average 87.10 days slightly increase from 85.27 days in 2016. There was no effect to company cash flow management.

Year 2016, company has long term account receivable over 12 month baht 23.89 million. There were on process of correction and keep monitor from management. Allowance for doubtful accounts policy was appropriately apply as requirement from external auditor and accounting standard.

	2017	2016
Current Ration (time)	0.72	0.61
Debt to Equity Ratio (time)	1.52	1.60

## 3.1 Investment expenditure and Debt to equity ratio

CMO Group was invested in new buildings, warehouse and studios which were complete since 2014. Company was continued loan repayment and some of short term loans were closed. Cause to, debt to equity Ratio was improved from 1.60 times in year 2016 to 1.52 times in year 2017.

## 3.2 Current Ratio

Current ratio in year 2017 was slightly increased from 0.61 times in year 2016 to 0.72 times in year 2017, Due to, company current asset and current liability was slightly increased in comparing. It has good effect to internal operation.

## 3.3 Leverage and Loan condition

CMO Group has both short and long term loan with financial institute. Most of them were used for internal operation and company investment such as building studios and equipment. All of loan has no significant in Debt to Equity Ratio condition.

## 3.4 Shareholders' equity

As at December 31, 2017 the total shareholders' equity of the group was Baht 467.50 million increased from Baht 454.80 million in 2016 cause by increasing of Retained earnings and asset appraisal surplus.

In 2017, the group had cash flows from all activities as the following;

- Net cash from operating activities Baht 115.87 million decreased from Baht 102.96million in 20165.
- Net cash used in investing activities Baht 60.55 million which mainly invested in fixed assets and financial providing to subsidiaries and joint venture company.
- Net cash from financing activities Baht 54.01 million, cause by repayment to long term and short term loan.

In 2018 the most important of forward looking factor which impact CMO group, as well as event business in overall, is economic factor and political situation in the country. Those factors might effect by outside country issue, as well. However, both economic and politic situation are gradually improve as well as consumer's confidential. CMO Group has positive expectation toward year 2018, continue from year 2017.

Moreover, government will start Infrastructure Investment Project, this year. This may not effect to event marketing directly. Investment from government will effect to Thailand economic in overall. Thus, Consumer environment will getting better and reflect to marketing activities eventually.

## 3. Liquidity and sufficiency of working capital

## 4. Forward looking Factors

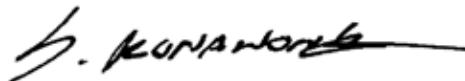


# 13 CERTIFICATION OF THE ACCURACY OF INFORMATION

The Company has revised this Annual Information Disclosure document with caution and certifies that the information disclosed herewith is complete, accurate, truthful and does not cause any misunderstanding nor lack any material information that needs to be disclosed. In addition, the Company hereby certifies that:

- (1) The Financial Statements and other financial details summarized in this Annual Information Disclosure document represent accurate and complete information regarding the financial status, performance and cash flows of the Company and its subsidiaries.
- (2) The Company maintains an effective disclosure system to ensure that material information of the Company and its subsidiaries are disclosed accurately and completely, and the Company is also responsible for ensuring compliance with such system.
- (3) The Company also maintains an effective internal control system, and is responsible for ensuring compliance with such system. The Company reported the information about the internal control assessment on 26 February 2018 to the Company's Statutory Auditor and the Audit Committee. This assessment included any important default and any change of the internal control system including any weaknesses which may affect the reporting of the Company and its subsidiaries' financial statements.

Therefore, as evidence that these documents constitute the entire set that the Company has certified, the Company has authorized Mr. Sermkhun Kunawong to initial all pages. If any page is without Mr. Sermkhun Kunawong's initials, the Company does not certify that the information given is the true copy.

Name	Position	Signature
Mr. Sermkhun Kunawong	Chief Executive Officer	





# 14

## FINANCIAL STATEMENTS AND AUDITOR'S REPORT

**CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2017**

To the Shareholders and the Board of Directors of CMO Public Company Limited

### Opinion

I have audited the consolidated and separate financial statements of CMO Public Company Limited and its subsidiaries, and of CMO Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2017, the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of the CMO Public Company Limited and its subsidiaries, and of CMO Public Limited, respectively, as at December 31, 2017, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (TFRSs).

### ◀ Jeeb Seasons Concert

Management by  
MUSE Corporation

Visual Effect, Lighting, Sound System  
Operated by PM Center





**Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the 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.

**Emphasis of Matters**

Without qualifying my opinion on the above financial statements, I draw your attention to Notes to the financial statements as follows:

- a. Note to the Financial Statements No. 29, there is an uncertainty about the outcome of a lawsuit that the Company was sued for the damage and the case is under the court's consideration.
- b. As discussed in Note to the Financial Statements No. 30, in the year 2017, the Group had corrected the error related to the estimation of employee benefit obligations of the prior years by retrospective adjustment of the financial statements. As a result, the statements of financial position as at December 31, 2016 and January 1, 2016 and the related statements of profit or loss and other comprehensive income for the year ended December 31, 2016, which have been presented herewith for comparative purposes, have been restated to reflect such adjustments.

**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 separate financial statements of the current year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

**Loan, and the compliance with the loan covenants***Risks*

During the years 2013 to 2017, the Group invested in the construction of two buildings and had continuing investments in equipment. As at December 31, 2017 the Group had outstanding bank overdrafts and short-term loans from financial institutions, as well as long-term loans from financial institutions totaling Baht 387.10 million. Such investments require the Group to have a proper financial plan in order to be able to comply with the various conditions of the loan agreements.

*Auditor's Response*

I have verified the future estimated cash flows of the Group prepared by Management by considering the appropriateness of the significant assumptions for estimates, such as the appropriateness of the estimated revenues and costs of service as compared with the history revenues and costs of service, the analysis of the growth rate of the revenues and costs of service, testing the estimated revenue with the signed contract, and analysis of the sensitivity of the estimates. Then I considered the Group's ability to comply with the conditions of the loan agreements.

**Net Realizable Value of trade receivables***Risks*

As discussed in Note to the Financial Statements No. 7, the Group has 12 months overdue trade receivables and unbilled receivables totaling of Baht 36.74 million. The Group is under the process of following up these overdue receivables. The overdue receivables are mainly caused by being under the process of verifying the delivery of the service by the customer. The management have to assess the net realizable value of these receivable based on collection experience and analysis of the current status of individual receivables.

*Auditor's Response*

I selected a sampling, and then tested the appropriateness, of the trade receivable aging reports and unbilled receivable aging reports. Then, I assessed the appropriateness of the allowance for doubtful accounts by checking:

- financial position of trade receivables and unbilled receivables whose balances are outstanding for more than 12 months and their subsequent receipt;
- appropriate contract approvals; and
- evidence in the form of a service delivery document or evidence of the event having occurred.

I then selected a sampling of trade receivables overdue for more than 12 months for which I requested confirmations. Further, for unbilled receivables which are overdue for more than 12 months, we checked the subsequent issuance of invoices.

**Other Information**

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 for correction of the misstatement.

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

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

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

**(Yuttapong Chuamuangpan)**  
Certified Public Accountant  
Registration Number 9445

ANS Audit Co., Ltd.  
Bangkok, February 26, 2018



## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

Unit: Baht							
Notes	Consolidated financial statements			Separate financial statements			
	December 31,	December 31,	January 1, 2016	December 31, 2017	December 31, 2016	January 1, 2016	
	2017	2016	2016	2017	2016	2016	
		"RESTATED"	"RESTATED"		"RESTATED"	"RESTATED"	
<b>ASSETS</b>							
<b>Current assets</b>							
Cash and cash equivalents	6	17,900,682.41	18,630,996.41	31,097,943.29	1,949,232.05	3,285,970.95	7,088,321.25
Trade and other receivables - net	5, 7	367,596,953.61	272,011,130.62	289,246,990.62	167,470,380.55	197,515,126.10	196,670,749.58
Current portion of							
finance lease receivables	5, 8	-	-	-	4,582,048.11	-	-
Accrued dividend income	5	-	-	-	25,241,803.17	11,821,243.31	-
Short-term loans to related parties	5	-	-	-	103,100,000.00	91,700,000.00	59,000,000.00
Inventories - net	9	21,165,502.31	33,461,535.79	15,982,888.88	10,215,878.41	14,642,585.12	13,740,177.60
<b>Total current assets</b>		<b>406,663,138.33</b>	<b>324,103,662.82</b>	<b>336,327,822.79</b>	<b>312,559,342.29</b>	<b>318,964,925.48</b>	<b>276,499,248.43</b>
<b>Non-current assets</b>							
Restricted deposits at banks	16, 19	8,249,161.19	13,388,447.56	13,113,114.54	966,521.58	959,461.84	751,322.25
Finance lease receivables - net	5, 8	-	-	-	14,417,183.34	-	-
Long-term loans to related parties	5	33,798,701.70	-	-	33,798,701.70	-	-
Investments in joint ventures - net	10	12,904,326.23	42,603,810.10	8,149,751.86	48,999,800.00	54,999,800.00	8,749,950.00
Investments in subsidiaries - net	11	-	-	-	169,449,400.00	161,449,600.00	161,449,600.00
Property, plant and equipment - net	12, 16, 19	613,438,421.60	683,487,149.71	723,104,289.59	78,398,342.74	119,884,911.98	142,785,594.70
Intangible assets - net	13	5,867,803.40	6,241,535.50	8,935,165.11	1,820,000.00	6,241,535.50	8,935,165.11
Goodwill		4,635,859.29	4,635,859.29	4,635,859.29	-	-	-
Deferred tax assets - net	14, 30, 31	6,972,007.75	13,185,683.38	14,232,322.64	5,713,304.52	12,086,956.71	12,823,282.13
Other non-current assets	15	87,806,198.24	92,900,289.26	70,277,754.99	67,329,149.09	69,497,823.12	49,322,351.29
<b>Total non-current assets</b>		<b>773,672,479.40</b>	<b>856,442,774.80</b>	<b>842,448,258.02</b>	<b>420,892,402.97</b>	<b>425,120,089.15</b>	<b>384,817,265.48</b>
<b>Total assets</b>		<b>1,180,335,617.73</b>	<b>1,180,546,437.62</b>	<b>1,178,776,080.81</b>	<b>733,451,745.26</b>	<b>744,085,014.63</b>	<b>661,316,513.91</b>

## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

Unit: Baht							
Notes	Consolidated financial statements			Separate financial statements			
	December 31,	December 31,	January 1,	December 31,	December 31,	January 1,	
	2017	2016	2016	2017	2016	2016	
		"RESTATED"	"RESTATED"		"RESTATED"	"RESTATED"	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
<b>Current liabilities</b>							
Bank overdrafts and short-term loans							
from financial institutions	16	296,510,976.38	237,475,810.23	273,347,591.37	191,710,575.40	175,065,507.51	205,799,835.94
Trade and other payables	5, 17	202,866,042.66	204,677,863.21	193,914,813.97	105,007,103.20	133,591,316.57	129,482,793.44
Current portion of liabilities under							
financial lease agreements	18	14,873,984.91	21,771,202.81	26,586,526.55	294,184.07	242,965.74	688,669.62
Current portion of long-term loans							
from financial institutions	19	35,497,270.20	58,360,247.80	49,164,511.99	14,260,626.20	20,946,309.42	10,836,000.00
Short-term loan from related parties		-	-	-	3,000,000.00	-	12,000,000.00
Dividend payables		11,470,985.75	11,740,064.97	-	-	-	-
Income tax payables		-	-	252,276.36	-	-	-
<b>Total current liabilities</b>		<b>561,219,259.90</b>	<b>534,025,189.02</b>	<b>543,265,720.24</b>	<b>314,272,488.87</b>	<b>329,846,099.24</b>	<b>358,807,299.00</b>
<b>Non-current liabilities</b>							
Intercompany profit in the outstanding							
equipment of joint ventures	10	24,582,399.55	31,495,975.58	6,997,814.93	-	-	-
Liabilities under financial lease							
agreements - net	18	18,619,207.03	19,934,947.81	17,501,801.17	730,495.31	595,206.08	54,468.87
Long-term loans from financial							
institutions - net	19	55,087,598.24	90,340,401.76	135,164,249.65	22,437,765.24	36,453,924.76	43,862,635.00
Deferred tax liabilities - net	14, 31	26,255,707.99	25,543,731.54	28,183,886.00	-	-	-
Provision for long-term							
employee benefits	20, 30	27,071,057.00	24,397,404.00	21,554,544.00	7,851,248.00	7,239,108.00	6,658,003.00
<b>Total non-current liabilities</b>		<b>151,615,969.81</b>	<b>191,712,460.69</b>	<b>209,402,295.75</b>	<b>31,019,508.55</b>	<b>44,288,238.84</b>	<b>50,575,106.87</b>
<b>Total liabilities</b>		<b>712,835,229.71</b>	<b>725,737,649.71</b>	<b>752,668,015.99</b>	<b>345,291,997.42</b>	<b>374,134,338.08</b>	<b>409,382,405.87</b>

## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

Unit: Baht						
Notes	Consolidated financial statements			Separate financial statements		
	December 31,	December 31,	January 1,	December 31,	December 31,	January 1,
	2017	2016	2016	2017	2016	2016
		"RESTATED"	"RESTATED"		"RESTATED"	"RESTATED"
<b>Shareholders' equity</b>						
Share capital	21					
Authorized share capital						
Common shares 255,462,733 shares						
at Baht 1 each		255,462,733.00	255,462,733.00	255,462,733.00	255,462,733.00	
Common shares 222,500,000 shares						
at Baht 1 each			222,500,000.00			222,500,000.00
Issued and fully paid-up share capital						
Common shares 255,462,733 shares						
at Baht 1 each		255,462,733.00	255,462,733.00	255,462,733.00	255,462,733.00	
Common shares 194,333,185 shares						
at Baht 1 each			194,333,185.00			194,333,185.00
Premiums on share capital		93,569,476.36	93,569,476.36	55,779,669.16	93,569,476.36	55,779,669.16
Discount on investments		4,907,142.73	4,907,142.73	4,907,142.73	-	-
Changes in the proportion held						
by non-controlling interests		303,380.88	303,380.88	-	-	-
Retained earnings (deficit)						
Appropriated						
Appropriated to legal reserve	22	13,504,539.40	10,869,715.71	8,748,059.30	13,504,539.40	10,869,715.71
Unappropriated	30	(42,356,048.91)	(41,428,159.28)	27,018,937.25	25,622,999.08	10,048,751.48
Other components of						
shareholders' equity	10	129,490,042.79	113,381,693.40	111,769,514.68	-	-
Total shareholders' equity						
of the company		454,881,266.25	437,065,982.80	402,556,508.12	388,159,747.84	369,950,676.55
Non-controlling interests	11	12,619,121.77	17,742,805.11	23,551,556.70	-	-
<b>Total shareholders' equity</b>		<b>467,500,388.02</b>	<b>454,808,787.91</b>	<b>426,108,064.82</b>	<b>388,159,747.84</b>	<b>369,950,676.55</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,180,335,617.73</b>	<b>1,180,546,437.62</b>	<b>1,178,776,080.81</b>	<b>733,451,745.26</b>	<b>744,085,014.63</b>

## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2017

Unit: Baht					
Notes	Consolidated financial statements		Separate financial statements		
	2017	2016	2017	2016	
			"RESTATED"		"RESTATED"
<b>Revenue from services</b>	5, 25	1,362,236,516.89	1,199,652,862.74	575,560,573.00	637,645,953.10
Cost of services		(1,043,273,172.47)	(998,014,981.02)	(443,396,825.20)	(551,582,033.91)
<b>Gross profit</b>		<b>318,963,344.42</b>	<b>201,637,881.72</b>	<b>132,163,747.80</b>	<b>86,063,919.19</b>
Other income		14,205,224.68	13,595,577.14	24,846,935.64	31,183,203.30
Selling expenses		(6,511,240.50)	(15,039,600.95)	(2,021,586.48)	(8,091,475.59)
Administrative expenses	30	(198,702,557.03)	(190,861,060.68)	(108,168,989.87)	(103,635,772.13)
Finance costs		(25,396,767.01)	(27,992,236.72)	(14,073,382.70)	(14,139,792.38)
Dividend income	11	-	-	26,640,466.53	51,421,027.31
Share of loss from investments in joint ventures	10	(36,259,595.76)	(11,795,741.77)	-	-
<b>Profit (loss) before income tax</b>		<b>66,298,408.80</b>	<b>(30,455,181.26)</b>	<b>59,387,190.92</b>	<b>42,801,109.70</b>
Tax expenses	14, 30	(22,724,648.54)	(1,584,608.59)	(6,690,716.31)	(736,325.42)
<b>Profit (loss) for the years</b>		<b>43,573,760.26</b>	<b>(32,039,789.85)</b>	<b>52,696,474.61</b>	<b>42,064,784.28</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Profit on land revaluation - net tax		-	4,029,861.31	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>					
Gain on changes of proportion					
in investment in joint ventures	10	16,108,349.39	-	-	-
<b>Total comprehensive income (loss) for the years</b>		<b>59,682,109.65</b>	<b>(28,009,928.54)</b>	<b>52,696,474.61</b>	<b>42,064,784.28</b>
<b>Profit (loss) attributable to</b>					
Equity holders of the Company		36,194,337.39	(43,357,869.15)	52,696,474.61	42,064,784.28
Non-controlling interests		7,379,422.87	11,318,079.30	-	-
		43,573,760.26	(32,039,789.85)	52,696,474.61	42,064,784.28
<b>Total comprehensive income (loss) attributable to</b>					
Equity holders of the Company		52,302,686.78	(41,745,690.43)	52,696,474.61	42,064,784.28
Non-controlling interests		7,379,422.87	13,735,761.89	-	-
		59,682,109.65	(28,009,928.54)	52,696,474.61	42,064,784.28
<b>Basic earnings (loss) per share</b>		<b>0.14</b>	<b>(0.18)</b>	<b>0.21</b>	<b>0.17</b>
Weighted average number of ordinary shares (shares)		255,462,733	247,278,722	255,462,733	247,278,722



CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2017

Unit: Baht													
Consolidated financial statements													
Equity attributable to equity holders of the Company													
Notes	Issued and paid-up share capital	Premiums on share capital	Discounts on investments	Changes in the proportion held by non-controlling interests	Retained earnings (deficit)		Other components of shareholders' equity			Total interests	Total	Total	Total
					Appropriated to legal reserve	Surplus on land Unappropriated	components of revaluation	Gain on changes of Equity holders' equity	Total other Non-controlling of the Company				
<b>Balance at January 1, 2017</b>	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	10,869,715.71	(24,746,897.35)	113,381,693.40	-	113,381,693.40	453,747,244.73	18,681,396.38	472,428,641.11	
Cumulative effect of change in accounting error	-	-	-	-	-	(16,681,261.93)	-	-	-	(16,681,261.93)	(938,591.27)	(17,619,853.20)	
<b>Balance as at January 1, 2017 - as restated</b>	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	10,869,715.71	(41,428,159.28)	113,381,693.40	-	113,381,693.40	437,065,982.80	17,742,805.11	454,808,787.91	
Changes in shareholders' equity for the year:													
Appropriated to legal reserve	-	-	-	-	2,634,823.69	(2,634,823.69)	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(34,487,403.33)	-	-	-	(34,487,403.33)	(10,411,068.11)	(44,898,471.44)	
Increase in non-controlling interests - net	-	-	-	-	-	-	-	-	-	-	300.00	300.00	
Changes in the proportion held by non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2,092,338.10)	(2,092,338.10)	
Total comprehensive income for the year	-	-	-	-	-	36,194,337.39	-	16,108,349.39	16,108,349.39	52,302,686.78	7,379,422.87	59,682,109.65	
<b>Balance as at December 31, 2017</b>	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	13,504,539.40	(42,356,048.91)	113,381,693.40	16,108,349.39	129,490,042.79	454,881,266.25	12,619,121.77	467,500,388.02	
<b>Balance at January 1, 2016</b>	194,333,185.00	55,779,669.16	4,907,142.73	-	8,748,059.30	41,802,659.21	111,769,514.68	-	111,769,514.68	417,340,230.08	24,298,048.34	441,638,278.42	
Cumulative effect of change in accounting error	-	-	-	-	-	(14,783,721.96)	-	-	-	(14,783,721.96)	(746,491.64)	(15,530,213.60)	
<b>Balance as at January 1, 2016 - as restated</b>	194,333,185.00	55,779,669.16	4,907,142.73	-	8,748,059.30	27,018,937.25	111,769,514.68	-	111,769,514.68	402,556,508.12	23,551,556.70	426,108,064.82	
Changes in shareholders' equity for the year:													
Share capital increase	61,129,548.00	39,734,206.40	-	-	-	-	-	-	-	100,863,754.40	-	100,863,754.40	
Directly attributable expenses of the share capital increase	-	(1,944,399.20)	-	-	-	-	-	-	-	(1,944,399.20)	-	(1,944,399.20)	
Appropriated to legal reserve	-	-	-	-	2,121,656.41	(2,121,656.41)	-	-	-	-	-	-	
Dividends	-	-	-	-	-	(22,967,570.97)	-	-	-	(22,967,570.97)	(19,540,280.97)	(42,507,851.94)	
Changes in the proportion held by non-controlling interests	-	-	-	303,380.88	-	-	-	-	-	303,380.88	(3,380.88)	300,000.00	
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(851.63)	(851.63)	
Total comprehensive income (loss) for the year	-	-	-	-	-	(43,357,869.15)	1,612,178.72	-	1,612,178.72	(41,745,690.43)	13,735,761.89	(28,009,928.54)	
<b>Balance as at December 31, 2016</b>	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	10,869,715.71	(41,428,159.28)	113,381,693.40	-	113,381,693.40	437,065,982.80	17,742,805.11	454,808,787.91	

CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2017

		Unit: Baht				
		Separate financial statements				
		Retained earnings (deficit)				
	Notes	Issued and paid-up share capital	Premiums on share capital	Appropriated to legal reserve	Unappropriated	Total
<b>Balance at January 1, 2017</b>		255,462,733.00	93,569,476.36	10,869,715.71	14,750,392.28	374,652,317.35
Cumulative effect of change in accounting error	30	-	-	-	(4,701,640.80)	(4,701,640.80)
<b>Balance as at January 1, 2017 - as restated</b>		255,462,733.00	93,569,476.36	10,869,715.71	10,048,751.48	369,950,676.55
Changes in shareholders' equity for the year:						
Appropriated to legal reserve	22	-	-	2,634,823.69	(2,634,823.69)	-
Dividends		23	-	-	-	(34,487,403.32)
(34,487,403.32)						
Total comprehensive income for the year		-	-	-	52,696,474.61	52,696,474.61
<b>Balance as at December 31, 2017</b>		255,462,733.00	93,569,476.36	13,504,539.40	25,622,999.08	388,159,747.84
<b>Balance at January 1, 2016</b>		194,333,185.00	55,779,669.16	8,748,059.30	(2,593,508.62)	256,267,404.84
Cumulative effect of change in accounting error	30	-	-	-	(4,333,296.80)	(4,333,296.80)
<b>Balance as at January 1, 2016 - as restated</b>		194,333,185.00	55,779,669.16	8,748,059.30	(6,926,805.42)	251,934,108.04
Changes in shareholders' equity for the year:						
Share capital increase	21	61,129,548.00	39,734,206.40	-	-	100,863,754.40
Directly attributable expenses of the share capital increase	21	-	(1,944,399.20)	-	-	(1,944,399.20)
Appropriated to legal reserve	22	-	-	2,121,656.41	(2,121,656.41)	-
Dividends		23	-	-	-	(22,967,570.97)
(22,967,570.97)						
Total comprehensive loss for the year		-	-	-	42,064,784.28	42,064,784.28
<b>Balance as at December 31, 2016</b>		255,462,733.00	93,569,476.36	10,869,715.71	10,048,751.48	369,950,676.55



## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		"RESTATED"		"RESTATED"
<b>Cash Flows from Operating Activities:</b>				
Profit (loss) before income tax	66,298,408.80	(30,455,181.26)	59,387,190.92	42,801,109.70
Adjustments to reconcile profit (loss) before income tax to net cash flow from operating activities:				
Depreciation and amortization	107,386,928.62	113,692,515.60	17,777,112.02	29,548,938.50
Impairment loss on assets	97,209.82	111,275.34	-	-
Allowance for doubtful debt	6,181,406.69	96,481.90	3,020,032.69	-
(Profit) loss from disposal of investment in subsidiary(1,282.39)	434,271.26	603,725.54	(300,000.00)	-
Impairment loss on investment	-	-	6,000,000.00	-
Gain on sales of fixed assets and intangible assets(5,446,774.59)	(5,669,083.83)	(623,992.37)	(381,311.84)	-
Written off withholding tax	4,310,860.30	1,221,858.06	-	-
Estimation of employee benefit obligations	3,027,912.75	2,842,860.00	612,140.00	581,105.00
Dividend income	-	-	(26,640,466.53)	(51,421,027.31)
Share of loss from investments in joint ventures	36,259,595.76	11,795,741.77	-	-
Unrealize gain from sales of inventories to joint venture2,634,661.47	24,498,210.64	-	-	-
Interest expenses	25,396,767.01	27,992,236.72	14,073,382.70	14,139,792.38
Profit from operating activities before changes in operating assets and liabilities	246,145,694.24	146,561,186.20	74,209,124.97	34,968,606.43
Operating assets (increase) decrease				
Trade and other receivables	(100,097,014.17)	17,119,378.10	28,806,011.16	(844,376.52)
Work in process	12,296,033.48	(17,478,646.91)	4,426,706.71	(902,407.52)
Other non-current assets	34,882,136.71	8,532,774.34	16,107,389.68	(18,798,444.90)
Operating liabilities increase (decrease)				
Trade and other payables	(1,712,663.25)	12,573,271.91	(28,548,920.80)	4,775,986.93
Cash from operating activities	191,514,187.01	167,307,963.64	95,000,311.72	19,199,364.42
Employee benefit obligations paid	(354,260.00)	-	-	-
Interest paid	(25,396,767.01)	(27,992,236.72)	(14,060,642.97)	(14,139,792.38)
Income tax paid	(49,897,902.45)	(36,356,895.43)	(14,255,779.77)	(1,377,026.93)
<b>Net cash from operating activities</b>	<b>115,865,257.55</b>	<b>102,958,831.49</b>	<b>66,683,888.98</b>	<b>3,682,545.11</b>

## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		"RESTATED"		"RESTATED"
<b>Cash Flows from Investing Activities:</b>				
(Increase) decrease in restricted deposits at bank	5,139,286.37	(275,333.02)	(7,059.74)	(208,139.59)
Cash received from short-term loans to related parties	-	20,000,000.00	24,200,000.00	78,900,000.00
Cash payment for short-term loans to related parties	-	(20,000,000.00)	(35,600,000.00)	(111,600,000.00)
Cash payment for long-term loans to related parties	(35,580,000.00)	-	(35,580,000.00)	-
Cash received from sales investment in subsidiary	-	4,178,306.44	1,396,174.46	300,000.00
Cash payment for investment in subsidiary	-	-	(9,999,700.00)	-
Cash payment for investment in joint ventures	-	(46,249,850.00)	-	(46,249,850.00)
Dividend income from investments	-	-	13,219,906.67	39,599,784.00
Purchase of fixed assets	(52,488,303.49)	(43,268,152.65)	(801,070.42)	(4,162,609.90)
Purchase of intangible assets	(1,820,000.00)	-	(1,820,000.00)	-
Cash received from sales of fixed assets and intangible assets	24,195,133.93	8,631,523.25	12,778,791.76	748,000.00
<b>Net cash used in investing activities</b>	<b>(60,553,883.19)</b>	<b>(76,983,505.98)</b>	<b>(32,212,957.27)</b>	<b>(42,672,815.49)</b>
<b>Cash Flows from Financing Activities:</b>				
Increase (decrease) in bank overdraft and short-term loans from financial institutions - net	59,035,166.15	(35,871,781.14)	16,645,067.89	(30,734,328.43)
Cash payments for financial lease agreements	(9,762,725.03)	(30,064,214.45)	(263,492.44)	(731,134.90)
Cash received from short-term loans to related parties	13,000,000.00	-	20,000,000.00	9,000,000.00
Cash payment to short-term loan from related parties	(13,000,000.00)	-	(17,000,000.00)	(21,000,000.00)
Cash received from long-term loan from financial institutions	-	20,000,000.00	-	20,000,000.00
Cash payment of long-term loans from financial institutions	(58,115,781.12)	(55,628,112.08)	(20,701,842.74)	(17,298,400.82)
Dividend paid	(45,167,550.65)	(30,767,786.97)	(34,487,403.32)	(22,967,570.97)
Cash received from share capital	-	98,919,355.20	-	98,919,355.20
Changes in the proportion held by non-controlling interests300.00	300,000.00	-	-	-
<b>Net cash from (used in) financing activities</b>	<b>(54,010,590.65)</b>	<b>(33,112,539.44)</b>	<b>(35,807,670.61)</b>	<b>35,187,920.08</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,300,783.71</b>	<b>(7,137,213.93)</b>	<b>(1,336,738.90)</b>	<b>(3,802,350.30)</b>
<b>Decrease in cash from sales of investment in subsidiaries</b>		<b>(2,031,097.71)</b>	<b>(5,329,732.95)</b>	<b>-</b>
<b>Cash and cash equivalents, Beginning of years</b>	<b>18,630,996.41</b>	<b>31,097,943.29</b>	<b>3,285,970.95</b>	<b>7,088,321.25</b>
<b>Cash and cash equivalents, End of years</b>	<b>17,900,682.41</b>	<b>18,630,996.41</b>	<b>1,949,232.05</b>	<b>3,285,970.95</b>
<b>Supplemental Disclosures of Cash Flows Information</b>				
Increase in assets from financial lease agreements during the years	1,549,766.35	27,682,037.35	450,000.00	826,168.23
Finance lease receivables arising from the sales of assets during the years.	-	-	18,999,231.45	-
Payable to purchase of fixed assets decrease during the years	(48,032.30)	(524,200.11)	(48,032.30)	(667,463.80)

## CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

**1. GENERAL INFORMATION**

CMO Public Company Limited (“the Company”) was incorporated under Thai law on June 5, 1991, and on December 29, 2003 was converted from a juristic person under the Civil and Commercial Code as “a Company Limited” to a juristic person under the Public Company Limited Act B.E. 2535. The Company’s primary business is event management for public events, exhibitions and entertainment activities. The Company’s registered office is located at 4/18-19 Soi Nuanchan 56, Nuanchan, Buengkum Bangkok.

**2. BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Securities and Exchange Commission.

The financial statements are presented in compliance with stipulations of the Notification of the Department of Business Development, dated October 11, 2016, issued under the Accounting Act B.E. 2543.

These financial statements are prepared on the historical cost basis, except as disclosed in respective accounting policies.

The accompanying financial statements have been prepared in Thai language and are expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant in the Thai language, an English translation of the Thai version of the financial statements is provided.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

**Basis of consolidated financial statement preparation**

a) The consolidated financial statements included the financial statements of CMO Public Company Limited and its subsidiaries (that together referred to as the “Group”).

The details of the subsidiaries as at December 31, are as follows:

Subsidiaries	Country	Nature of business	% Equity interest and voting right owned by the Company	
			2017	2016
The subsidiary held by the Company				
PM Center Co., Ltd.	Thailand	Rental equipment for image, lighting, sound and effects.	99.99	99.99
The Eyes Co., Ltd.	Thailand	Production of multi-visual slides, videos, multimedia and computer graphics.	99.95	99.95
Exposition Technology Co., Ltd.	Thailand	Electrical and lighting services.	40.00	40.00
Momentum S Co., Ltd.	Thailand	Event management for private event, wedding ceremonies, birthday parties and other.	56.99	56.99
CMO – T1 Asia Corporation Co., Ltd.	Thailand	Rental equipment for image, lighting, sound and effects.	-	39.99
Muse Corporation Co., Ltd.	Thailand	Concert organizers, sound, lighting and all type of multimedia.	69.99	69.99
Imaginia Co.,Ltd	Thailand	Amusement park and Theme park.	100.00	-

On January 18, 2017, the Company acquired 99,997 ordinary shares in Imaginia Co., Ltd. at Baht 100 per share (a par value of Baht 100) for a total investment of Baht 10 million.

CMO – T1 Asia Corporation Co., Ltd. was registered its the liquidation and returned its capital to the shareholders on May 18, 2017.

- b) The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- c) The financial statements of subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The balances between the Company and its subsidiaries, and significant intercompany transactions have been eliminated in the consolidated financial statements.



The financial statements of Exposition Technology Co., Ltd., and CMO-T1 Asia Corporation Co., Ltd. are included in the consolidated financial statements because the Company has control over their financial and operating policies, even though the Company's shareholding in each is less than 50 percent, therefore, they are regarded as subsidiary companies.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statements of financial position.

The separate financial statements, which present investment in subsidiaries and joint ventures under the cost method, have been prepared solely for the benefit of the public.

#### **New financial reporting standards**

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are 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 and its subsidiaries' financial statements.

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

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which are 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 and clarifications directed towards disclosures in the notes to financial statements.

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

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Revenues and Expenses Recognitions**

Revenues and expenses are recognized on an accrual basis.

Revenues from event management of public shows, exhibitions and entertainment events are recognized when the services are completed. Revenues from completed but unbilled, service were presented in unbilled receivables which are also included in trade accounts receivable.

Revenues from decoration construction are recognized based on the percentage of completion calculated according to the proportion of actual cost incurred compared to the estimated total cost. Un-invoiced income is presented as unbilled receivables and is included as part of accounts receivable while the respective cost is presented in statement of profit or loss.

Revenues from rental of image, lighting, and sound effect equipment are recognized when the services are completed.

Revenues from rental are recognized as an income on straight-line basis over the rental period.

Revenues from the production of slides, multi-visuals, videos, multimedia and computer graphics are recognized when the productions are delivered to the customers.

Revenues from the service of music and artist management are recognized when the services are completed.

Cost of uncompleted jobs or undelivered jobs are recorded as work in process.

Cost of service of finished work is recorded according to the invoiced value after discount and rebate.

#### **Cash and Cash Equivalents**

Cash and cash equivalents presented in the statements of cash flows and comprise of cash in hand, deposits at financial institutions with a maturity period not over 3 months except for cash at banks held as collateral.

#### **Allowance for Doubtful Accounts**

The Company and subsidiaries provide an allowance for doubtful accounts equal to the estimated uncollectible amount which is based on collection experience and analysis of the current status of individual receivables.

#### **Finance lease receivables**

Finance lease receivables are stated at outstanding balances net of deferred interest income and unearned related service income and allowance for doubtful accounts (if any).

#### **Work in Process**

Cost of work, which is not yet recognized as revenues, is recorded in work in process using the invoiced value after discounting.

### Investments in Joint Ventures

Investments in joint venture are presented in consolidated financial statements by using the equity method, and presented in the separate financial statements by using the cost method, and adjusted impairment, if any.

### Investments in Subsidiaries

Investments in subsidiaries are presented in the separate financial statements by using the cost method, and adjusted impairment, if any.

The Company presented the outstanding balance of the negative goodwill that had arisen from the acquisition of the investment in a subsidiary company as “Discount on Investments” under the shareholders’ equity. This will be recognized in the statement of profit or loss when the investment is disposed.

### Property, Plant and Equipment and Depreciation

Land is presented at the appraised value appraised by an independent appraiser, dated March 24, 2015 and September 8, 2016 by using the market value.

Buildings and equipment are stated at cost less accumulated depreciation and impairment loss from assets (if any).

Depreciation is computed by the straight-line method based on the estimated useful lives of the assets as follows:-

	Useful life (years)
Buildings	20 - 30
Building improvements	5
Operating equipment	3 and 5
Office equipment	3 and 5
Furniture and fixtures	5
Vehicles	5

Supplies are stated at cost by using First-In, First-Out Method and will be expended when used.

Depreciation method, useful life and the residual value will be reviewed at the end of the accounting period and is adjusted if appropriate. During the year 2016, the Group depreciation the newly by the sum-of-the-years method over 5 years purchased innovation equipment during the year.

### Intangible assets

The intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to profit or loss.

The Group’s intangible assets with finite useful lives consist of text licenses, music licenses, image licenses and softwares, which have an estimated useful life of 3 - 5 years.

### Finance lease

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

### Operating lease

Lease of assets where a significant portion of the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized as expenses in the profit or loss over the period of the lease.

### Employee benefits

#### *Short-term benefits*

The Group salaries, wages, bonus and social security contribution as expenses on an accrual basis.

#### *Post-employment benefits – defined contribution plan*

#### Defined contribution plans

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund’s assets are held in a separate trust fund and the contributions of the Group are recognized as expenses when incurred.

#### Defined benefit plans and other long-term employee benefits

The employee benefit obligation for severance payment under labor law is recognized as a charge to results of operations over the employee’s service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Group in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in the other comprehensive income and actuarial gains and losses arising from other long-term employee benefits are recognized immediately in the profit or loss.



**Provisions**

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

**Income tax**

Income tax expenses represent the sum of corporate income tax currently payable and deferred tax.

*Current tax*

The Group record current income tax at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

*Deferred tax*

The Group recognizes deferred income tax on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognizes deferred tax liabilities for all taxable temporary differences while it recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

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

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

**Transactions in Foreign Currencies**

Foreign currency transactions are translated into Baht at the exchange rates prevailing on the transaction dates. Monetary assets and liabilities denominated in foreign currencies outstanding at the statement financial position date are translated into Baht at the exchange rates prevailing on those dates. Gain or losses on exchange rates are recognized as income or expenses for the year.

**Fair value measurement**

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

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

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3 Use of unobservable inputs such as estimates of future cash flows.

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

**Basic earnings (loss) per share**

Basic earnings (loss) per share are calculated by dividing profit (loss) for the year attributable to shareholders by the weighted average number of ordinary shares during the year.

**Financial Instruments**

The Group has no policy to speculate in or engage in the trading of any financial derivative instruments.

**4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:

**Allowance for doubtful accounts**

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

**Allowance for diminution in value of inventory**

The determination of allowances for diminution in the value of inventory requires management to make judgments and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, that is estimated based on the approximate useful life of each type of inventory.

**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.

**Property, plant and equipment / Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the Group's plant and equipment and to review estimated useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodic basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecasts of future revenues and expenses relating to the assets subject to the review.

**Impairment of investment in subsidiaries and Joint venture**

In considering impairment of investment in a subsidiaries and Joint venture, the Company assesses the fair value of investment in its subsidiaries and Joint venture by the present value of future cash flows generated by the subsidiaries and Joint venture, discounted by a discount rate determined by the Company's management. The cash flow projections are based on financial budgets, which reflect the subsidiary and Joint venture's business plan, growth rates and expense to revenue ratios. The value derived from the afore-mentioned method may vary due to changes in competitive forces, revenue structure, cost structure, industrial conditions and economic conditions

**Post-employment benefits under defined benefit plans**

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

**Litigation**

The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess of the results of the litigation and found that it is probable that loss will be incurred. Therefore, it recorded contingent liabilities with estimated future loss.

**Goodwill**

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

**5. RELATED PARTY TRANSACTIONS**

The followings present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have common directors or shareholders with the Company.

Related parties	Nature of relationships	% Equity interest owned by the Company	
		2017	2016
PM Center Co., Ltd.	Subsidiary company	99.99	99.99
The Eyes Co., Ltd.	Subsidiary company	99.95	99.95
Exposition Technology Co., Ltd.	Subsidiary company	40.00	40.00
Momentum S Co., Ltd.	Subsidiary company	56.99	56.99
CMO – T1 Asia	Subsidiary company	-	39.99
Muse Corporation Co., Ltd.	Subsidiary company	69.99	69.99
CMO Show Crop Co.,Ltd.	Joint Venture	39.29	50.00
Rightman Co., Ltd.	Common directors and shareholdings	-	-



The Company had business transactions with related parties. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned. For the years ended December 31, the significant transactions with related parties can be summarized as follows:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Subsidiaries</b>				
Services income	-	-	2,226	5,119
Dividend income	-	-	26,640	51,421
Other income	-	-	15,954	18,033
Interest income	-	-	8,453	6,586
Cost of services	-	-	67,212	58,339
Other expenses	-	-	1,976	4,359
Interest expenses	-	-	82	201
<b>Join Ventures</b>				
Services income	12,788	61,086	-	13,008
Interest income	-	204	-	204
<b>Related parties</b>				
Services income	12,305	7,560	-	-
Cost of services	13,370	27,356	13,370	27,000

The Company engages in transactions with related parties by using cost plus profit and the agreed contract price.

#### Management compensation – for key management personnel

For the years ended December 31, management compensation – for key management personnel consist of the following:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Short-term benefits	57,668,837.85	51,260,049.34	28,728,648.03	26,289,136.00
Post-employment benefits	1,121,364.00	1,067,442.00	408,072.00	390,719.00
Total	58,790,201.85	52,327,491.34	29,136,720.03	26,679,855.00

The outstanding balances for the above transactions as at December 31, 2017 and 2016 have been shown separately in the statements of financial position and consist of the following:

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Trade receivables - related parties</b>				
The Eyes Co., Ltd.	-	-	200	3
CMO Show Corp Co., Ltd.	33,612	21,057	8,025	8,064
Total trade receivables - related parties	33,612	21,057	8,225	8,067
Less: Allowance for doubtful accounts	(4,400)	-	(1,239)	-
Total trade receivables - related parties - net	29,212	21,057	6,986	8,067
<b>Other receivables - related parties</b>				
PM Center Co., Ltd.	-	-	5,297	11,217
The Eyes Co., Ltd.	-	-	3,709	1,887
Momentum S Co., Ltd.	-	-	-	7
Imaginia Co.,Ltd	-	-	1,760	-
Muse Corporation Co., Ltd	-	-	-	10
Rightman Co., Ltd	1,512	-	1,485	-
Total Other receivables - related parties	1,512	-	12,251	13,121
<b>Accrued interest income - related parties</b>				
PM Center Co., Ltd.	-	-	-	2,349
Momentum S Co., Ltd.	-	-	-	5
CMO Show Corp Co., Ltd.				
204 204	204	204		
Total accrued interest - related parties	204	204	204	2,558
Less: Allowance for doubtful accounts	(204)	-	(204)	-
Total accrued interest - related parties - net	-	204	-	2,558
<b>Accrued dividend income - related parties</b>				
PM Center Co.,Ltd.	-	-	13,600	-
The Eyes Co., Ltd.	-	-	3,997	3,997
Exposition Technology Co., Ltd.	-	-	7,645	7,824
Total accrued dividend income				
- related parties	-	-	25,242	11,821

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Finance lease receivables - related parties</b>				
Imaginia Co.,Ltd	-	-	18,999	-
Total Finance lease receivables				
- related parties	-	-	18,999	-
<b>Short-term loan to related parties</b>				
PM Center Co., Ltd.	-	-	76,000	76,000
The Eyes Co., Ltd.	-	-	12,500	12,000
Momentum S Co., Ltd.	-	-	14,600	3,700
Total short-term loan to related parties-net	-	-	103,100	91,700
<b>Long-term loan to related parties</b>				
CMO Show Corp Co., Ltd.	35,580	-	35,580	-
Total long-term loan to related parties	35,580	-	35,580	-
Less : Allowance for long-term loans to related parties	(1,781)	-	(1,781)	-
Total long-term loan to related parties-net	33,799	-	33,799	-

During the years ended December 31, the Company had movements on loans to related parties as follows:-

Unit: Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Short-term loans to related parties</b>				
<b>Subsidiaries</b>				
Balance at beginning of the years	-	-	91,700	59,000
Increase during the years	-	20,000	35,600	111,600
Decrease during the years	-	(20,000)	(24,200)	(78,900)
Total short-term loan to related parties-net	-	-	103,100	91,700
<b>Long-term loans to related parties</b>				
<b>Join venture</b>				
Balance at beginning of the years	-	-	-	-
Increase during the years	35,580	-	35,580	-
Decrease during the years	-	-	-	-
Total long-term loan to related parties	35,580	-	35,580	-
Less : Allowance for long-term loans to related parties"	(1,781)	-	(1,781)	-
Total long-term loan to related parties-net	33,799	-	33,799	-

The Company charged interest on loans to related parties at the annual rate of MOR and MOR+1% for subsidiaries and 5% for joint venture.

Loans to the joint venture are due upon call, but are not expected to be collected in the near future. Reclassification has been made to non-current assets. In the year 2017, the Company stopped recognizing interest income from loans to the joint venture when interest is overdue over 3 months.



	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Trade payables from related parties</b>				
PM Center Co., Ltd.	-	-	8,370	6,800
The Eyes Co., Ltd.	-	-	7,485	6,333
Exposition Technology Co., Ltd.	-	-	3,325	3,893
Rightman Co., Ltd.	-	29,125	-	28,890
Total trade payables related parties	-	29,125	19,180	45,916
<b>Other payables from related parties</b>				
PM Center Co., Ltd.	-	-	-	159
Muse Corporation Co., Ltd	-	-	980	-
Total other payables from related parties	-	-	980	159
<b>Other expense from related parties</b>				
PM Center Co., Ltd.	-	-	164	-
Total other expenses from related parties	-	-	164	-
<b>Accrued interest expenses - related parties</b>				
Exposition Technology Co., Ltd.	-	-	13	-
Total accrued interest expenses - related parties	-	-	13	-
<b>Short-term loan from related parties</b>				
Exposition Technology Co., Ltd.	-	-	3,000	-
(Interest rate 5% - 6.5% Per annum)	-	-	3,000	-
Total short-term loan from related parties	-	-	3,000	-

During the years ended December 31, the Company had movements on the short-term loans from related parties as follows:-

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Short-term loans from related parties</b>				
<b>Subsidiaries (Interest rate 5% - 6.5% per annum)</b>				
Balance at beginning of the years	-	-	-	12,000
Increase during the years	-	-	7,000	9,000
Decrease during the years	-	-	(4,000)	(21,000)
Balance at end of the years	-	-	3,000	-
<b>Directors</b>				
Balance at beginning of the years	-	-	-	-
Increase during the years	13,000	-	13,000	-
Decrease from subsidiaries disposed	(13,000)	-	(13,000)	-
Balance at end of the years	-	-	-	-
Total short-term loans from related parties	-	-	3,000	-

## 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash on hand	342,000.00	343,615.00	70,000.00	85,000.00
Cash at banks - savings account	14,630,503.69	16,352,513.04	1,840,534.28	3,139,273.18
Cash at banks - current account	2,928,178.72	1,934,868.37	38,697.77	61,697.77
Cash and cash equivalents	17,900,682.41	18,630,996.41	1,949,232.05	3,285,970.95

**7. TRADE AND OTHER RECEIVABLES - NET**

Trade and other receivables as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade receivables				
Trade receivables - related companies	33,611,611.40	21,057,012.24	8,225,197.00	8,067,051.00
Trade receivables - other	335,768,237.72	255,977,815.91	151,044,763.04	178,266,877.28
Total trade receivables	369,379,849.12	277,034,828.15	159,269,960.04	186,333,928.28
Less: Allowance for doubtful accounts	(30,300,869.70)	(26,948,661.52)	(17,014,416.02)	(15,775,681.63)
Trade receivables - net	339,078,979.42	250,086,166.63	142,255,544.02	170,558,246.65
Other receivables				
Other receivables	6,759,868.56	2,364,998.64	5,059,615.26	766,774.36
Other receivables - related companies	1,512,385.00	-	12,251,397.19	13,120,688.69
Advance to employees	4,921,026.42	5,048,062.39	1,718,011.31	2,780,237.45
Prepaid expenses	3,814,337.29	3,967,695.06	1,548,982.00	1,519,898.82
Deposit for purchase inventories	633,491.79	1,400,591.05	-	-
Undue input VAT	8,544,522.03	8,080,614.52	4,149,313.75	5,517,344.45
Accrued interest income - related companies"	204,109.58	204,109.58	204,109.58	2,558,283.56
Revenue Department receivable	1,881,324.54	184,966.12	109,746.12	-
Other	967,149.56	1,190,057.63	424,445.90	740,327.12
Total other receivables	29,238,214.77	22,441,094.99	25,465,621.11	27,003,554.45
Less: Allowance for doubtful accounts	(720,240.58)	(516,131.00)	(250,784.58)	(46,675.00)
Total other receivables - net	28,517,974.19	21,924,963.99	25,214,836.53	26,956,879.45
Total trade and other receivables - net	367,596,953.61	272,011,130.62	167,470,380.55	197,515,126.10

Trade receivables can be classified by age analysis as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade receivables - related companies				
Not yet due	354,341.20	5,775,405.13	200,197.00	-
Past due				
Over 3 months but not over 6 months	14,794,335.75	5,612,231.11	5,350,000.00	-
Over 6 months but not over 12 months	8,465,847.89	4,319,376.00	-	2,714,376.00
Over 12 months	9,997,086.56	-	2,675,000.00	-
Unbilled receivables - related companies				
Not yet due	-	5,350,000.00	-	5,352,675.00
Total trade receivables - related companies	33,611,611.40	21,057,012.24	8,225,197.00	8,067,051.00
Trade receivables - others				
Not yet due	193,661,121.10	132,953,126.08	99,771,792.45	97,027,599.96
Past due				
Less than 3 months	75,141,328.60	44,036,368.14	8,537,759.43	25,464,981.41
Over 3 months but not over 6 months	4,838,487.24	13,819,609.35	1,035,632.34	9,139,239.00
Over 6 months but not over 12 months	3,691,548.15	1,756,064.89	-	1,250,725.29
Over 12 months	23,831,966.88	25,154,631.68	13,196,153.79	13,411,651.79
Unbilled receivables - others				
Not yet due	26,891,299.45	29,327,114.63	20,996,909.45	26,526,381.63
Past due				
Less than 3 months	109,140.00	2,084,860.72	-	1,907,780.00
Over 3 months but not over 6 months	4,599,798.00	554,450.00	4,599,798.00	79,200.00
Over 6 months but not over 12 months	92,000.00	644,600.64	92,000.00	644,600.64
Over 12 months	2,911,548.30	5,646,989.78	2,814,717.58	2,814,717.56
Total trade receivables - others	335,768,237.72	255,977,815.91	151,044,763.04	178,266,877.28
Total	369,379,849.12	277,034,828.15	159,269,960.04	186,333,928.28
Less: Allowance for doubtful accounts	(30,300,869.70)	(26,948,661.52)	(17,014,416.02)	(15,775,681.63)
Trade receivables - net	339,078,979.42	250,086,166.63	142,255,544.02	170,558,246.65





**Decrease in investments in joint ventures**

On August 21, 2017, the Extraordinary General Meeting of Shareholders No. 1/2017 of CMO Show Corp Co., Ltd. resolved to increase its registered capital from Baht 110 million to Baht 140 million by issuing 300,000 ordinary shares, at the par value of Baht 100 per share, totaling Baht 30 million to Show Asset Management Co., Ltd. The shareholding proportion of the Company decreased from 50% to 39.29% after the capital increase. As a result the Company incurred profit from the dilution of investment in a joint venture amounted to Baht 16.11 million in the statements of other comprehensive income. CMO Show Corp Co., Ltd. registered the capital increase with the Ministry of Commerce on August 31, 2017.

The Company recorded the gains from the change in shareholding in the associated company and from the intercompany transactions on the outstanding equipment in joint ventures by changing the proportion of investment in the joint venture in the statements of other comprehensive income as at August 31, 2017 as follows:

	Unit : Thousands Baht		
	Changes on proportion		Gain on changes of proportion
	Before changing	After changing	
Net assets of joint venture	24,124	54,124	
Proportion of equity interest in joint venture (%)	50%	39.2857%	
Equity interest in net assets of joint venture	12,062	21,263	
Loss Intercompany profit in the outstanding equipment of joint venture	(32,235)	(25,328)	
Book value of investment in joint venture - net	(20,173)	(4,065)	(16,108)

During the year, the Company recognized its share of loss from its investment in the joint ventures, CMO Show Corp Co., Ltd. as follow:

	Unit: Baht	
	2017	2016
Share of loss in the years	38,900,392.58	11,795,741.77
Intercompany profit in the outstanding equipment of joint venture	(2,640,796.82)	-
Share of loss from investment in joint ventures	36,259,595.76	11,795,741.77

Financial information of CMO Show Corp Co., Ltd. is summarized below:

**Statement of financial position**

Cash and cash equivalents	28,632
Current assets	28,632
Non current assets	
Current liabilities	209,242
Non current liabilities	

	Unit: Thousands Baht	
	2017	2016
Cash and cash equivalents	179	2,119
Current assets	24,851	
Non current assets	254,614	291,740
Current liabilities	189,036	
Non current liabilities	41,335	44,466

**Statement of profit or loss**

for the year ended period ended December 31,

Total revenues	
Net loss	

	Unit: Thousands Baht	
	2017	2016
Total revenues	14,139	-
Net loss	(82,360)	(23,591)

The reconciliation of the financial information of CMO Show Corp Co., Ltd. to book value of investment in the joint venture as presented in consolidated financial statement can be summarized as follow:

	Unit: Thousands Baht	
	2017	2016
Net assets of joint venture	32,848	85,208
Portion of equity interest in joint venture (%)	39.2857%	50%
<b>Equity interest in net assets of joint venture</b>	12,904	42,604
Less Intercompany profit in the outstanding equipment of joint venture	(24,582)	(31,496)
Book value of investment in joint venture - net	(11,678)	11,108



## 11. INVESTMENTS IN SUBSIDIARIES – NET

Investments in subsidiaries as presented in separate financial statement as at December 31, are as follows:

Subsidiaries	Country	Nature of business	Company's equity interest and voting rights (%)		Paid-up capital		Cost Method		Dividend income	
			2017	2016	2017	2016	2017	2016	2017	2016
			Unit: Thousands Baht							
PM Center Co., Ltd.	Thailand	Rental equipment for image, lighting, sound and effects.	99.99	99.99	135,000	135,000	134,999	134,999	18,900	32,400
The Eyes Co., Ltd.	Thailand	Production of multi-visual slides, videos, multimedia and computer graphics.	99.95	99.95	15,000	15,000	14,601	14,601	-	5,997
Exposition Technology Co., Ltd.	Thailand	Electrical and lighting services.	40.00	40.00	2,000	2,000	5,400	5,400	6,621	13,025
Momentum S Co., Ltd.	Thailand	Event management for private events, wedding ceremonies, birthday parties and other.	56.99	56.99	2,000	2,000	1,140	1,140	-	-
CMO – T1 Asia Corporation Co., Ltd.	Thailand	Production of multi-visual slides, videos, multimedia and computer graphics.	-	39.99	-	5,000	-	2,000	-	-
Muse Corporation Co., Ltd.	Thailand	Concert organizers, sound, lighting and all types of multimedia.	69.99	69.99	7,500	7,500	5,250	5,250	1,119	-
Imaginia Co.,Ltd.	Thailand	Amusement park and Theme park.	100.00	-	10,000	-	10,000	-	-	-
Total investments in subsidiaries							171,390	163,390	26,640	51,422
Less: Impairment of investment							(1,940)	(1,940)		
Total investments in subsidiaries - net							169,450	161,450		

During the year 2017 and 2016, had changes on investments in subsidiaries as follows

CMO – T1 Asia Corporation Co., Ltd. was registered its the liquidation and returned its capital to the shareholders on May 18, 2017.

As at the liquidation date, the net asset value of CMO – T1 Asia Corporation Co., Ltd. was present follow:

	Unit: Thousands Baht
Cash and cash equivalents	3,427
Other current assets	111
Other current liabilities	(51)
Non - controlling interest	(2,092)
Net assets	1,395
Total Cash receipt	1,396
Cash and cash equivalents payment	(3,427)
Total Cash payment	(2,031)
Gain on sale of investment in subsidiary	1

On January 18, 2017, the Company acquired 99,997 ordinary shares in Imaginia Co., Ltd. at Baht 100 per share (a par value of Baht 100) for a total investment of Baht 10 million.

The Extraordinary General Meeting of CMO-T1 Asia Corporation Co., Ltd., held on December 9, 2016, approved to terminate CMO – T1 Asia Corporation Co., Ltd. and registered its liquidation with the Department of Business Development on December 20, 2016.

During the year 2016, the Group sold its investment in Momentum S Co., Ltd. of 3.01 percent, resulting the remained of investments at 56.99 percent. The Group received proceeds from the sale of investments of Baht 300,000. The capital deficiency according to the proportion of sales of Baht 3,380.88 was transferred to non-controlling interests. The difference of Baht 303,380.88 between decreasing in non-controlling interest and cash received is presented as part of the owners of the parent.

On July 1, 2008, the Company acquired 4,000 ordinary shares of Exposition Technology Co., Ltd., at Baht 1,250 per share (Par value of Baht 100 per share), totaling Baht 5 million. According to the unaudited or un-reviewed financial statements, the acquisition incurred costs of Baht 4.64 million in excess of the book value of the subsidiary company as at July 1, 2008.

The significant of non-controlling interests of subsidiaries are as follows:

Subsidiaries	Country	Non-controlling interests (%)	(Unit: Thousands Baht)	
			Comprehensive income (loss) attributable to non-controlling	Retained non-controlling
Exposition Technology Co., Ltd.	Thailand	60%	8,005	12,241
Other subsidiaries	Thailand	0.01% - 60.01%	(626)	378
<b>Total</b>			<b>7,379</b>	<b>12,619</b>

Financial information of subsidiaries before eliminated transaction is as follows:

	(Unit: Thousands Baht)		
	Exposition Technology Co., Ltd.	Other subsidiaries	Total
<b>As at December 31, 2017</b>			
Current assets	40,414	229,174	269,588
Non-current asset	19,674	499,151	518,825
Current liabilities (37,557)	(380,338)	(417,895)	
Non-current liabilities	(4,920)	(98,686)	(102,976)
<b>Non-controlling interests (%)</b>	60%	0.01% - 60.01%	0.01% - 60.01%
<b>For the year ended December 31, 2017</b>			
<b>Revenues</b>	178,551	893,237	1,071,788
Net profit (loss) during the year of			
Non-controlling interests	8,005	(626)	7,379
Net comprehensive income of			
Non-controlling interests	-	-	-
Net cash from (used in)			
Operating activities	12,833	49,892	62,725
Investing activities	10,399	(29,116)	(18,717)
Financing activities	(17,000)	(22,975)	(39,975)
<b>Net increase (decrease) in cash</b>	<b>6,232</b>	<b>(2,199)</b>	<b>4,033</b>

## 12. PROPERTY, PLANT AND EQUIPMENT – NET

Property, plant and equipment as at December 31, 2017 consisted of:

Cost	Unit : Baht			
	Consolidated financial statements			As at December 31, 2017
	As at January 1, 2017	Movement during the year		
		Increase	Decrease / transfer	
<b>Land</b>				
- At cost	65,702,303.07	-	-	65,702,303.07
- Revaluation surplus	144,749,220.00	-	-	144,749,220.00
<b>At appraised value</b>	<b>210,451,523.07</b>	<b>-</b>	<b>-</b>	<b>210,451,523.07</b>
<b>Buildings</b>	<b>290,539,307.46</b>	<b>-</b>	<b>-</b>	<b>290,539,307.46</b>
Building improvements	60,140,749.60	116,100.00	2,093,421.00	58,163,428.60
Building and equipment on leased space	1,513,125.59	208,103.74	1,183,125.59	538,103.74
Operating equipment	647,135,368.84	39,596,614.84	19,647,995.29	667,083,988.39
Office equipment	74,354,625.25	496,981.19	-	74,851,606.44
Furniture and fixtures	4,078,698.41	347,633.45	-	4,426,331.86
Vehicles	29,580,031.43	2,108,355.14	585,981.31	31,102,405.26
Supplies - lighting	2,887,029.41	1,490,401.62	1,981,048.32	2,396,382.71
Other supplies	3,503,358.27	9,347,292.56	11,274,419.26	1,576,231.57
<b>Total</b>	<b>1,324,183,817.33</b>	<b>53,711,482.54</b>	<b>36,765,990.77</b>	<b>1,341,129,309.10</b>
<b>Accumulated depreciation</b>				
Buildings	62,344,699.26	15,947,365.70	608,992.94	77,683,072.02
Building improvements	17,509,565.59	4,138,772.11	-	21,648,337.70
Building and equipment on leased space	682,519.75	473,951.39	890,732.17	265,738.97
Operating equipment	479,496,429.42	71,531,630.44	16,210,481.01	534,817,578.85
Office equipment	54,064,959.68	9,497,705.10	-	63,562,664.78
Furniture and fixtures	2,290,405.04	523,667.30	-	2,814,072.34
Vehicles	20,562,176.11	3,080,104.45	585,980.31	23,056,300.25
<b>Total 636,950,754.85</b>	<b>105,193,196.49</b>	<b>18,296,186.43</b>	<b>723,847,764.91</b>	
<b>Allowance for impairment</b>	<b>3,745,912.77</b>	<b>97,209.82</b>	<b>-</b>	<b>3,843,122.59</b>
<b>Net booked value</b>	<b>683,487,149.71</b>			<b>613,438,421.60</b>

Depreciations for the years ended December 31, 2017 and 2016, amounted to Baht 105.19 million and Baht 113.69 million, respectively, in the Company's consolidated statements of profit or loss.



As at December 31, 2017 and 2016, the Group's equipment and vehicles amounting to Baht 392.13 million and Baht 316.05 million, respectively, were fully depreciated but still in use.

	Unit : Baht			
	Separate financial statements			
	As at	Movement during the year		As at
	January 1, 2017	Increase	Decrease / transfer	December 31, 2017
<b>Cost</b>				
Land	390,000.00	-	-	390,000.00
Buildings	75,293,248.20	-	-	75,293,248.20
Building improvements	37,216,079.78	86,100.00	2,093,421.00	35,208,758.78
Operating equipment	84,491,120.93	408,938.12	35,063,471.57	49,836,587.48
Office equipment	14,200,044.02	66,000.00	17,000.00	14,249,044.02
Vehicles	8,504,941.14	642,000.00	-	9,146,941.14
<b>Total</b>	<b>220,095,434.07</b>	<b>1,203,038.12</b>	<b>37,173,892.57</b>	<b>184,124,579.62</b>
<b>Accumulated depreciation</b>				
Buildings	14,194,035.92	7,064,876.92	608,992.94	20,649,919.90
Building improvements	11,474,156.90	3,764,662.20	-	15,238,819.10
Operating equipment	56,926,139.47	2,794,915.13	11,351,874.02	48,369,180.58
Office equipment	8,050,356.25	2,773,444.03	5,346.86	10,818,453.42
Vehicles	6,567,634.67	1,084,030.33	-	7,651,665.00
<b>Total</b>	<b>97,212,323.21</b>	<b>17,481,928.61</b>	<b>11,966,213.82</b>	<b>102,728,038.00</b>
<b>Allowance for impairment</b>	<b>2,998,198.88</b>			<b>2,998,198.88</b>
<b>Net booked value</b>	<b>119,884,911.98</b>			<b>78,398,342.74</b>

Depreciations for the years ended December 31, 2017 and 2016, amounted to Baht 17.48 million and Baht 29.55 million, respectively, in the Company's separate statements of profit or loss.

As at December 31, 2017 and 2016, the Company's equipment and vehicles amounting to Baht 51.21 million and Baht 40.11 million, respectively, were fully depreciated but still in use.

The Group's land and construction are mortgaged as collateral for letters of guarantee, bank overdrafts and loans from financial institutions.

### 13. INTANGIBLE ASSETS – NET

Intangible assets as at December 31, 2017, consisted of:

	Unit : Baht			
	Consolidated financial statements			
	As at	Movement during the year		As at
	January 1, 2017	Increase	Decrease / transfer	December 31, 2017
<b>Cost</b>				
License fee	229,497.54	-	-	229,497.54
Computer software	10,698,260.18	-	-	10,698,260.18
Computer software under development	-	1,820,000.00	-	1,820,000.00
<b>Total</b>	<b>10,927,757.72</b>	<b>1,820,000.00</b>	<b>-</b>	<b>12,747,757.72</b>
<b>Accumulated amortization</b>				
License fee	70,902.87	53,140.47	-	124,043.34
Computer software	4,615,319.35	2,140,591.63	-	6,755,910.98
<b>Total</b>	<b>4,686,222.22</b>	<b>2,193,732.10</b>	<b>-</b>	<b>6,879,954.32</b>
<b>Net booked value</b>	<b>6,241,535.50</b>			<b>5,867,803.40</b>

	Unit : Baht			
	Separate financial statements			
	As at	Movement during the year		As at
	January 1, 2017	Increase	Decrease / transfer	December 31, 2017
<b>Cost</b>				
License fee	229,497.54	-	229,497.54	-
Computer software	10,698,260.18	-	10,698,260.18	-
Computer software under development	-	1,820,000.00	-	1,820,000.00
<b>Total</b>	<b>10,927,757.72</b>	<b>1,820,000.00</b>	<b>10,927,757.72</b>	<b>1,820,000.00</b>
<b>Accumulated amortization</b>				
License fee	70,902.87	5,148.56	76,051.43	-
Computer software	4,615,319.35	290,034.84	4,905,354.19	-
<b>Total</b>	<b>4,686,222.22</b>	<b>295,183.40</b>	<b>4,981,405.62</b>	<b>-</b>
<b>Net booked value</b>	<b>6,241,535.50</b>			<b>1,820,000.00</b>

Amortization for the years ended December 31, 2017, in the consolidated financial statements of Baht 2.19 million and in the separate financial statements of Baht 0.30 million are included in the statements of profit or loss.

**14. DEFERRED TAX ASSETS AND LIABILITIES - NET**

Movements in deferred tax assets and liabilities during the year are as follows:

	Unit: Thousands Baht			
	Consolidated financial statements			
	As at	Movement increase (decrease)		As at
	January 1, 2017	Profit or loss	Other omprehensive	December 31, 2017
<b>Deferred tax assets :</b>				
Allowance for doubtful accounts	4,290	(196)	-	4,094
Loss on inventory devaluation	173	-	-	173
Allowance for impairment	749	19	-	768
Provision for employee benefit obligations	4,879	535	-	5,414
Provision	360	-	-	360
Gains on undelivered sales	560	(560)	-	-
Tax loss carried forward	8,085	(8,085)	-	-
Depreciation of supply	1,005	(693)	-	312
Deferred tax liabilities :				
Surplus on land revaluation	28,950	-	-	28,950
Depreciation	3,509	(2,055)	-	1,454
<b>Deferred tax assets - net</b>	<b>13,186</b>			<b>6,972</b>
<b>Deferred tax liabilities - net</b>	<b>25,544</b>			<b>26,256</b>
<b>Deferred tax assets :</b>				
Allowance for doubtful accounts	3,183	-	-	3,183
Allowance for impairment	600	-	-	600
Provision for employee benefit obligations	1,448	122	-	1,570
Provision	360	-	-	360
Tax loss carried forward	6,496	(6,496)	-	-
<b>Total deferred tax assets</b>	<b>12,087</b>	<b>(6,374)</b>	<b>-</b>	<b>5,713</b>

Tax expenses for the years ended December 31, are as follows:

	Unit: Thousands Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Profit (loss) before income tax	66,298	(30,455)	59,387	42,801
Income tax rate	20%	20%	20%	20%
Current income tax as tax rate	13,260	(6,091)	11,877	8,560
Non-deductible expenses by the Revenue Code	5,539	1,272	2,688	586
Double expenses by the Revenue Code	(2,067)	(3,052)	(357)	(698)
Dividend income	-	-	(5,328)	(10,284)
Inter-compnay transactions	(1,380)	(155)	-	-
Share of loss of investment in joint ventures	7,780	2,359	-	-
Unutilized tax loss carry forward	2,729	1,957	-	1,720
Utilized tax loss carry forward unrecord	(2,608)	(457)	(2,189)	-
Unrealize gain from sales of inventories to joint venture	(528)	4,900	-	-
Adjust unutilized defertax assets	-	852	-	852
Tax expenses	22,725	1,585	6,691	736
The average effective tax rate	34%	(5%)	11%	2%

The Group has unused tax loss carry forward as at December 31, 2017, amounting to Baht 19.35 million, respectively. Due to the uncertainty of the utilization, therefore, the management considers not to recognize this deferred tax.

The Group used the income tax rate of 20% for the calculation of corporate income tax for the years ended December 31, 2017 and 2016.

**15. OTHER NON-CURRENT ASSETS**

Other non-current assets as at December 31, consisted of:

	Unit: Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Withholding income tax	75,852,530.57	80,760,068.53	56,998,608.80	60,409,993.16
Deposits	11,953,667.67	12,140,220.73	10,330,540.29	9,087,829.96
Total other non-current assets	87,806,198.24	92,900,289.26	67,329,149.09	69,497,823.12



**16. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

Bank overdrafts and short-term loans from financial institutions as at December 31, comprised:

	Unit: Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Bank overdrafts	61,474,884.67	40,991,777.71	33,932,482.11	13,286,535.26
Factoring transactions	45,949,467.70	-	8,312,784.26	-
Less prepaid interest	(128,380.05)	-	(64,964.82)	-
Factoring - net	45,821,087.65	-	8,247,819.44	-
Promissory notes	190,202,101.41	197,800,000.00	150,200,000.00	162,800,000.00
Less discount	(987,097.35)	(1,315,967.48)	(669,726.15)	(1,021,027.75)
Promissory notes - net	189,215,004.06	196,484,032.52	149,530,273.85	161,778,972.25
Total bank overdrafts and short-term loans from financial institutions	296,510,976.38	237,475,810.23	191,710,575.40	175,065,507.51

As at December 31, 2017 and 2016, the Group had bank overdrafts and short-term loans facilities as follows:-

	Unit: Million Baht	
	2017	2016
CMO Public Company Limited and subsidiaries	621.3	646.3
CMO Public Company Limited	303.0	313.0

As at December 31, 2017 and 2016, bank overdrafts, short-term loans, and long-term loan from financial institutions, incurring interest rates between the market rate and MOR, are guaranteed by certain directors of the Company' and the subsidiaries, by a mortgage of the Group's land and constructions, and by restricted deposits at banks.

**17. TRADE AND OTHER PAYABLES**

Trade and other payables as at December 31, comprised:

	Unit: Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade payables				
Trade payables - related parties	-	29,124,500.00	19,179,682.30	45,916,156.39
Trade payables - other	122,662,057.13	92,197,922.02	52,253,964.40	50,704,918.71
Total trade payables	122,662,057.13	121,322,422.02	71,433,646.70	96,621,075.10
Other payables				
Other payables	4,314,014.90	2,048,817.60	2,167,652.50	1,598,131.62
Accrued expenses	30,403,318.37	20,969,808.09	16,050,071.62	13,586,216.73
Accrued withholding tax	3,099,445.65	2,310,778.85	1,424,342.99	1,733,253.48
Accrued interest expense - related parties	-	-	12,739.73	-
Accounts payable for purchases of fixed assets	8,025.00	765,751.38	8,025.00	56,057.30
Unearned income received from customers	13,329,981.31	31,587,965.15	3,309,641.46	4,770,185.05
Revenue Department payable	843,863.47	6,559,053.87	-	4,114,912.77
Undue output VAT	20,779,089.40	14,288,554.30	8,032,604.20	8,338,934.69
Deposit	1,739,548.49	793,733.17	507,031.00	653,813.83
Provisions	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00
Other	3,886,698.74	2,230,978.78	261,348.00	318,736.00
Total other payables	80,203,985.33	83,355,441.19	33,573,456.50	36,970,241.47
Total trade and other payables	202,866,042.46	204,677,863.21	105,007,103.20	133,591,316.57

**18. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS - NET**

Liabilities under financial lease agreements as at December 31, comprised:

	Unit: Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Due within 1 year				
Minimum payments	16,557,311.64	23,851,174.05	357,785.08	295,270.72
Deferred interest	(1,683,326.73)	(2,079,971.24)	(63,601.01)	(52,304.98)
Present value of minimum payment	14,873,984.91	21,771,202.81	294,184.07	242,965.74
Due over 1 year not exceeding 5 years				
Minimum payments	19,678,976.64	21,300,013.43	791,197.70	660,184.03
Deferred interest	(1,059,769.61)	(1,365,065.62)	(60,702.39)	(64,977.95)
Present value of minimum payment	18,619,207.03	19,934,947.81	730,495.31	595,206.08
Net book value of equipment				
under finance leases agreements	58,024,482.24	83,692,932.58	1,343,187.69	1,901,615.92

The Group entered into lease agreements with a bank and certain companies for operating equipment and vehicles. The leases agreements have the terms of three to five years and bear interest rates of 3.91% to 9.77% per annum.

**19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS - NET**

Long-term loans from financial institutions as at December 31, comprised:

	Unit: Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Long-term loans from banks	90,584,868.44	148,700,649.56	36,698,391.44	57,400,234.18
Less current portion	(35,497,270.20)	(58,360,247.80)	(14,260,626.20)	(20,946,309.42)
Long-term loans - net	55,087,598.24	90,340,401.76	22,437,765.24	36,453,924.76

Movements in the long-term loans during the years ended December 31, are summarized below.

	Unit: Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Balance as at January 1,	148,700,649.56	184,328,761.64	57,400,234.18	54,698,635.00
Add: Additional borrowings	-	20,000,000.00	-	20,000,000.00
Less: Repayment	(58,115,781.12)	(55,628,112.08)	(20,701,842.74)	(17,298,400.82)
Balance as at December 31,	90,584,868.44	148,700,649.56	36,698,391.44	57,400,234.18

**The Company**

As at December 31, 2017 and 2016, the Company's long-term loans from banks carried interest at MLR minus certain rate, as stipulated in the agreement. The repayments of the principle and interest are to be made monthly. Full settlement of these loans is to be made within April 2018 to February 2020.

**Subsidiaries**

As at December 31, 2017 and 2016, the subsidiaries' long-term loans from banks carried interest at MLR minus certain rate, as stipulated in the agreement. The repayments of the principle and interest are to be made monthly. Full settlement of these loans is to be made within September 2017 to August 2022.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiaries to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

All long-term loans from financial institution are guaranteed by a mortgage of the Company's and its subsidiary's land and constructions, pledge of fixed deposits, and guarantees by the Company and its subsidiary.



**20. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS**

Movement of the present value of provision for long-term employee benefits for the years ended December 31, is as follows:

	Unit: Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Provision for long-term employee benefits</b>				
<b>beginning of the years</b>	24,397,404.00	21,554,544.00	7,239,108.00	6,658,003.00
Included in profit or loss:				
Current service costs	2,323,900.00	2,209,271.00	415,237.00	400,007.00
Cost of interest	704,013.00	633,589.00	196,903.00	181,098.00
Employee benefit obligations of subsidiaries disposed	(354,260.00)	-	-	-
<b>Provision for long-term employee benefits</b>				
<b>ending of the years</b>	27,071,057.00	24,397,404.00	7,851,248.00	7,239,108.00

Employee benefit expenses present on administrative expenses in the statements of profit or loss.

Principal actuarial assumptions at the valuation date are as follow:

	(Percentage (%)/annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Discount rate	2.62-3.64	4.76	2.72	4.76
Future salary increase rate	3-6	9.93	5	9.93
Mortality rate	80%	100%	80%	100%
	of Thai Mortality Ordinary		of Thai Mortality Ordinary	
	Tables of 2008		Tables of 2008	
Employee turnover rate				
Age under 25 year	22.92-57.30	27	45.84	27
Age over 25 and up to 30 years	17.19-42.98	27	34.38	27
Age over 30 and up to 35 years	11.46-28.65	27	22.92	27
Age over 35 and up to 40 years	7.64-19.10	27	15.28	27
Age over 40 and up to 45 years	5.73-14.33	27	13	27
Age over 45 and up to 50 years	3.82-9.55	27	13	27
Age over 55 and up to 60 years	1.91-4.78	27	13	27

**21. SHARE CAPITAL**

On April 27, 2016, the Extraordinary General Meeting of Shareholders 1/2016 approved to reduce the share capital of 36,037,052 shares at the price of Baht 1 per share from the previous share capital of Baht 291,499,785 to Baht 255,462,733.

The Company registered the share capital reduction with the Ministry of Commerce on May 12, 2016.

On February 18, 2016, the Company registered the paid-up share capital of 61,129,548 shares, at the par value of Baht 1 per share, from the previous share capital of Baht 194,333,185, to Baht 255,462,733, Baht 100,863,754.40 is the total cash sum received from the share capital. The Company recorded a premium on share capital, net from attributable expenses, of Baht 37,789,807.20 in the statement of financial position.

**22. LEGAL RESERVE**

In compliance with the Public Company Act, B.E. 2535 (1992), the Company set aside as a legal reserve at least 5% of its net profit until the reserve equal 10% of the authorized share capital. This reserve is not available for dividend distribution.

**23. DIVIDEND PAYMENT**

Pursuant to the Meeting of Board of Directors No.3/2017, held on August 10, 2017, approved to the payment of eligible shareholders a dividend from the profit for the six-month period ended June 30, 2017 to shareholders of Baht 0.08 per share, amounting to Baht 20.44 million. The dividend was paid on September 5, 2017.

Pursuant to Annual Meeting of Shareholders, held on April 27, 2017 the shareholders authorized the payment of eligible shareholders a dividend from the profit the year 2016 to shareholders of Baht 0.055 per share, amounting to Baht 14.05 million. The dividend was paid on May 25, 2017.

Pursuant to the Meeting of Board of Directors No.3/2016, held on July 15, 2016, approved to the payment of eligible shareholders a dividend from the profit for the three-month period ended March 31, 2016 to shareholders of Baht 0.09 per share, amounting to Baht 22.97 million. The dividend was paid on August 9, 2016.

**24. EXPENSES BY NATURE**

Expenses by nature for the years ended December 31, are as follows:

	(Unit : Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cost of service	839.41	915.36	375.06	551.58
Employee benefits	270.14	261.14	114.81	136.40
Depreciation and amortization	107.39	113.69	17.78	29.55
Advertising fee	1.20	19.28	0.36	6.20
Management compensation	58.79	52.33	29.14	26.68

## 25. FINANCIAL INFORMATION BY SEGMENT

The Group engages in the business of event management operate for public, exhibition and various entertainment activities in Thailand. The revenues separated by business segments are as follows:

For the year ended December 31, 2017

Unit : Thousands Baht							
Consolidated Financial Statements							
	Organizer	Rental Equipment	Production of Media	Installation supplies and Electrical	Amusement park	Eliminated	Total
Revenues							
Marketing and Promotion Events	236,753						
Trade Shows and Exhibitions	145,337						
Public Events	151,502						
MICE	9,216						
Professional Exhibition Organizer	20,494						
Museum	124,218						
<b>Total</b>	<b>687,520</b>	<b>524,875</b>	<b>43,922</b>	<b>177,630</b>	<b>21,788</b>	<b>(93,499)</b>	<b>1,362,236</b>
Cost of services							(1,043,273)
Gross profit							318,963
Other income							14,205
Selling expenses							(6,511)
Administrative expenses							(198,703)
Finance costs							(25,397)
Share of loss from investments using the equity method							(36,260)
Profit before income tax							66,298
Tax expense							(22,724)
<b>Profit (loss) for the year</b>	<b>53,360</b>	<b>41,968</b>	<b>(628)</b>	<b>12,963</b>	<b>(6,337)</b>	<b>(57,751)</b>	<b>43,574</b>
Profit attributable to							
Equity holders of the Company							36,195
Non-controlling interests							7,379
							43,574
<b>As at December 31, 2017</b>							
Trade and other receivables - net	194,025	167,245	13,365	25,751	2,185	(34,975)	367,597
Property plant and equipment - net	79,930	376,857	38,489	17,206	17,977	82,979	613,438
Other	498,730	52,409	7,022	16,543	6,443	(381,846)	199,301
<b>Total Assets</b>	<b>772,685</b>	<b>596,511</b>	<b>58,877</b>	<b>59,500</b>	<b>26,605</b>	<b>(333,842)</b>	<b>1,180,336</b>

For the year ended December 31, 2016

Unit : Thousands Baht						
Consolidated Financial Statements						
	Organizer	Rental Equipment	Production of Media	Installation supplies and Electrical	Eliminated	Total
Revenues						
Marketing and Promotion Events	298,314					
Trade Shows and Exhibitions	186,690					
Public Events	142,732					
MICE		4,960				
Professional Exhibition Organizer	24,992					
Museum	58,968					
<b>Total</b>	<b>716,656</b>	<b>404,766</b>	<b>38,369</b>	<b>174,813</b>	<b>(134,951)</b>	<b>1,199,653</b>
Cost of services						(998,015)
Gross profit						201,638
Other income						13,596
Selling expenses						(15,040)
Administrative expenses						(190,861)
Finance costs						(27,992)
Share of loss from investments using the equity method						(11,796)
Loss before income tax expenses						(30,455)
Tax revenue						(1,585)
<b>Profit (loss) for the year</b>	<b>44,239</b>	<b>(2,287)</b>	<b>(1,512)</b>	<b>16,552</b>	<b>(89,032)</b>	<b>(32,040)</b>
Profit (loss) attributable to						
Equity holders of the Company						(43,357)
Non-controlling interests						11,318
						(32,040)
<b>As at December 31, 2016</b>						
Trade and other receivables - net	206,001	64,067	10,499	25,094	(33,650)	272,011
Property plant and equipment - net	128,363	421,023	43,833	16,773	73,495	683,487
Other	429,906	70,449	8,012	20,870	(304,189)	225,048
<b>Total Assets</b>	<b>764,270</b>	<b>555,539</b>	<b>62,344</b>	<b>62,737</b>	<b>(264,344)</b>	<b>1,180,546</b>



## 26. FINANCIAL INSTRUMENTS

### Financial Risk Management

The Group is exposed to risks from changes in market interest rates, and from nonperformance of contractual obligations by counterparties. The Group does not use derivative instruments to manage such risks. They do not hold or issue derivative instruments for speculative or trading purposes.

### Interest rate risk

The interest rate risk constitutes future movements in market interest rates that will affect the results of the Group's operations and its cash flows. The Group's exposure to interest rate risk relates primarily to its deposits with and loans from financial institutions, and short-term loans from related parties.

Since the majority of these financial assets and liabilities are short-term and long-term loans bear floating interest rates, the Group's believe that there will be no material impact on their respective financial statements.

### Foreign currency risk

Foreign exchange rate risk arises from purchasing equipment in foreign currency. The management believes that the Group's foreign exchange rate risk is minimal, so there is no any contract to hedge such risk.

### Credit Risk

The Group provides credit terms to each customer after confirming her credit worthiness. The collection of accounts receivables is closely monitored and will focus on the overdue receivables and the Group will make a provision for accounts receivable that is overdue for more than 365 days. Presently, the Group's management believe that there is no significant loss arising from the uncollected receivables

### Fair Value

As the majority of financial assets and liabilities are short-term and long-term loans bearing floating interest rates, the Company's and the subsidiaries' management believe that their carrying values of financial assets and liabilities do not materially differ from their fair value.

### The risk of liquidity

The Group monitors its liquidity risk by maintaining a level of cash and cash equivalents deemed adequate by management to finance the Group and to mitigate the effects of fluctuations in cash flows.

### Capital management

The Board's policies are to maintain a strong capital base so as to provide assurance to shareholders, investors, creditors and maintain market confidence, and to sustain future development of the business. The Board monitors the return on capital which the Company defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

## 27. PROVIDENT FUND

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2552. Both employees and the Company contribute to the fund on a monthly basis at the rate of 3% - 15% of salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. Total contributions by the Group for the years ended December 31, 2017 and 2016 amounted to approximately Baht 5.35 million and Baht 5.46 million respectively, in the consolidated financial statement, and amounted to Baht 2.47 million and Baht 2.67 million respectively, in the separated financial statement.

## 28. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2017 and 2016, the Group has contingent liabilities in relation to the letters of guarantee issued by banks amounting to Baht 85.6 million and Baht 85.5 million, respectively.

The Group has commitments with regard to operating lease agreements where the Group is the lessee with leasing terms of 1 - 3 years. The contract cannot be terminated.

As at December 31, 2017 and 2016, the Group had obligations to render lease payments in the future as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Due within 1 year	6.04	14.66	1.94	13.31
Due over 1 year but not over 5 years	1.16	10.05	1.92	12.19
Total	7.20	24.71	3.86	25.50

As at December 31, 2017, the Group has the commitment from factoring account receivable to financial institution in case of defaulted on debt of Baht 45.95 million.

## 29. LITIGATION

On March 27, 2017, a contractor sued the Company and the joint venture for damages, in the amount of Baht 53.97 million, arising from the additional work under the main contract, according to Court Case No 1453 MDS / 2017. The management of the Company and the joint venture believe that the outcome of the case will not cause any damage. Therefore, the Company has not made provisions for liabilities that may arise from the case.

On April 24, 2017, the Company was sued by the CEO of the joint venture at the Central Labor Court for damage on the employment termination of Baht 13.40 million, according to the Black Court No. 148 MB/2017. The management of the Company and the joint venture believe that the outcome of the case will not cause any damage. Therefore, the Company has not made provisions for liabilities that may arise from the case.

**30. CORRECTION OF ACCOUNTING ERROR**

In the year 2017, the Company had corrected the error related to the estimation of employee benefit obligations of the prior years by retrospectively adjustment of the financial statements. The effects of such error correction are as follows:

	Unit: Baht	
	Consolidated financial statements	Separate financial statements
Statement of profit or loss and other comprehensive income		
For the year ended December 31, 2017		
Increase employee benefit expenses		
Increase administrative expenses	2,612,049.50	460,430.00
Decrease tax expenses	522,409.90)	(92,086.00)
Decrease profit	2,089,639.60	368,344.00
Decrease earning per share (Baht)	0.01	-
Statement of financial position as at January 1, 2016		
Increase deferred tax assets	3,882,553.40	1,083,324.20
Increase employee benefits	19,412,767.00	5,416,621.00
Decrease unappropriated retained earnings	(14,783,721.96)	(4,333,296.80)
Decrease non-controlling interests	(746,491.64)	-
Statement of financial position as at December 31, 2016		
Increase deferred tax assets	4,404,963.30	1,175,410.20
Increase employee benefits	22,024,816.50	5,877,051.00
Decrease unappropriated retained earnings	(16,681,261.93)	(4,701,640.80)
Decrease non-controlling interests	(938,591.27)	-

**31. RECLASSIFICATION OF ACCOUNT**

The Company has reclassified certain accounts in the consolidated statements of financial position as at December 31, 2016 and January 1, 2016 to conform to the presentation of the financial statements of current year.

	Unit: Baht			
	Consolidated financial statements			
	Before reclassification	Adjust	Reclassification	After reclassification
<b>Statement of financial position as at January 1, 2016</b>				
Investments in joint ventures - net	1,151,936.93	-	6,997,814.93	8,149,751.86
Property, plant and equipment – net	732,039,454.70	-	(8,935,165.11)	723,104,289.59
Intangible assets – net	-	-	8,935,165.11	8,935,165.11
Deferred tax assets - net	15,005,076.98	3,882,553.40	(4,655,307.74)	14,232,322.64
Intercompany profit in the outstanding equipment of joint venture	-	-	(6,997,814.93)	(6,997,814.93)
Deferred tax liabilities - net	(32,839,193.74)	-	4,655,307.74	(28,183,886.00)
<b>Statement of financial position as at December 31, 2016</b>				
Investments in joint ventures - net	11,107,834.52	-	31,495,975.58	42,603,810.10
Property, plant and equipment – net	689,728,685.21	-	(6,241,535.50)	683,487,149.71
Intangible assets – net	-	-	6,241,535.50	6,241,535.50
Deferred tax assets - net	15,696,176.17	4,404,963.30	(6,915,456.09)	13,185,683.38
Intercompany profit in the outstanding equipment of joint venture	-	-	(31,495,975.58)	(31,495,975.58)
Deferred tax liabilities - net	32,459,187.63	-	(6,915,456.09)	25,543,731.54

	Unit: Baht		
	Separate financial statements		
	Before reclassification	Reclassification	After reclassification
<b>Statement of financial position as at January 1, 2016</b>			
Property, plant and equipment – net	151,720,759.81	(8,935,165.11)	142,785,594.70
Intangible assets – net	-	8,935,165.11	8,935,165.11
<b>Statement of financial position as at December 31, 2016</b>			
Property, plant and equipment – net	126,126,447.48	(6,241,535.50)	119,884,911.98
Intangible assets – net	-	6,241,535.50	6,241,535.50

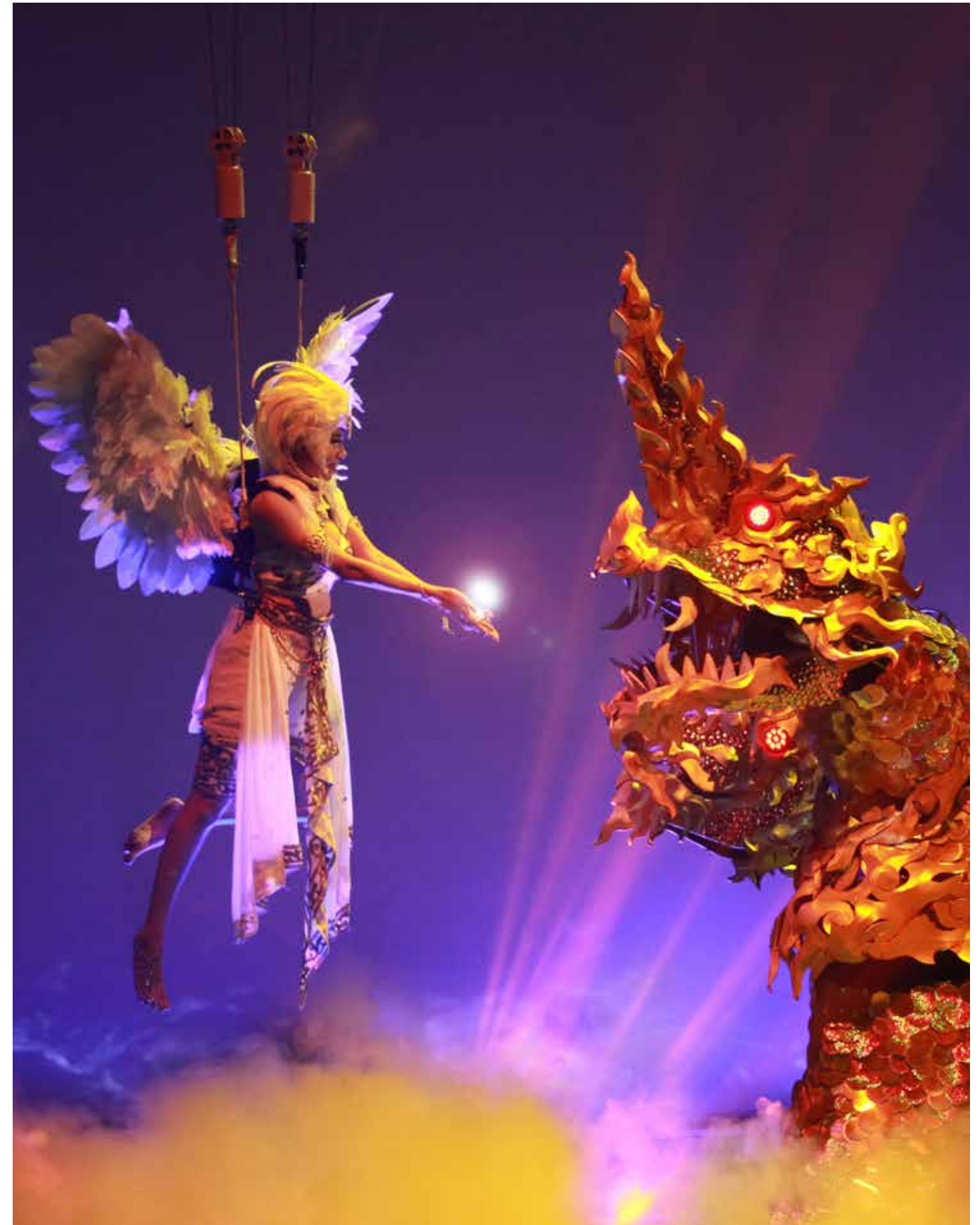


**31. EVENT AFTER THE REPORTING PERIOD**

Board of Directors' Meeting No. 1/2018, held on February 26, 2018, resolved pay a dividend from its operating result for the year ended December 31, 2017 for 255,462,733 shares at the rate of Baht 0.10 per share, amounting Baht 25,546,273.30 Baht. The dividend payments must be approved at the Annual General Meeting of the Company's shareholders.

**32. APPROVAL OF FINANCIAL STATEMENT**

These financial statements have been approved by the Board of Directors for issuance on February 26, 2018.



Himmapan Avatar



# APPENDIX

EGAT Learning Center, Thap Sakae ▶

Multimedia Production  
by The Eyes

Museum Design  
by CMO Museum





# Attachment 1

Attachment 1.1 Information of Board of Director and Executive Management of CMO Public Company Limited as at December 31, 2017

Name	Age	Education	No. of share As of 30 December 2016	Relationship	Working Experience last 5 years		
					Year	Position	Company
1. Mr. Anant Gatepithaya	66	- MM , Graduate Institute of Business Administration of Chulalongkorn University (SASIN) - National Director Conference 2016 - Director Forum 2/2015 - RCL 1/2015 - AACP 17/2014 - RMP 1/2013 - CNBC 3/2013 - DTT 1/2013 - AGM 1/2013 - NDC 1/2013 - HRP 2/2012 - QFR 1/2006 - DAP 7/2004 - ACP 2/2004 - DCP 17/2002	240,000 shares (0.094%)	-	2003-Present	- Independent Director, Member of the Audit Committee and Chairman of The Risk Management Committee	- CMO Public Company Limited
					2007-Present	- Independent Director and Member of the Audit Committee	- Raja Ferry Port Public Company Limited
					2007-Present	- Independent Director, Member of the Audit Committee / Chairman of the Risk Management Committee / Director of the Nomination and Compensation Committee	- Hydrotek Public company Limited
					2004-Present	- Independent Director, Member of the Audit Committee / Chairman of the Risk Management Committee / Director of the Nomination and Compensation Committee	- Fortune Parts Industry Public Company Limited
					2001-Present	- Independent Director, Member of the Audit Committee and Chairman of the Risk Management Committee	- Supalai Public Company Limited
					2008-Present	- Independent Director and Member of the Audit Committee	- Zeer Property Public Company Limite
					2000-Present	- Chairman	- The Brilliant Solution Co., Ltd.
2. Mr. Netipong Wichitwechkarn	54	- Master of Laws University of Chicago Law School - DAP 143/2017	None	-	2016-Present	- Director and Audit Committee	- CMO Public Company Limited
					2000-Present	- Director	- Jaideo Co., Ltd.
					2002-Present	- Director	- HIS Tong nan co., Ltd
					2002-Present	- Director	- Tong nan Holdings Co., Ltd.
					2003-Present	- Director	- Cavalino Holdings Co., Ltd.
					2003-Present	- Director	- Tevalai Co., Ltd.
					2004-Present	- Director	- Royal Advocates International Co., Ltd.
					2004-Present	- Director	- Vija (Holdings) Co., Ltd.
					2004-Present	- Director	- HIS (Thailand) Co., Ltd.
					2006-Present	- Director	- Zen Capital (Thailand) Co., Ltd.
2015-Present	- Director	- Naiton Beach Co., Ltd.					
2015-Present	- Director	- Malaiwana Hill Co., Ltd.					
2015-Present	- Director	- Malaiwana Beach Club Co.,Ltd.					
2015-Present	- Director	- Malaiwana Resort Co., Ltd.					
3. Miss Anusra Chittmitrapap	64	- Bachelor of Communication Arts. Chulalongkorn University - Chartered Director Class 2014 - RCC 2014 - DCP 2011	None	-	2016-Present	- Director and Audit Committee	- CMO Public Co., Ltd.
					2017-Present	- Director	- Sitrang Public Co., Ltd.
					2015-Present	- Advisor	- Berli Jucker Public Co., Ltd.
					2015-2016	- Director	- Queen Sirikit Botanic Garden Organization
					2015	- Chairman	- Thailandpost Distribution Co., Ltd.
2014-2015	- Vice Chairman	- Thailandpost Co., Ltd.					
2011-2014	- President & CEO	- Thailandpost Co., Ltd.					

Attachment 1.1 Information of Board of Director and Executive Management of CMO Public Company Limited as at December 31, 2017

Name	Age	Education	No. of share As of 30 December 2016	Relationship	Working Experience last 5 years		
					Year	Position	Company
4. Mr. Sermkhun Kunawong	57	- BCA, Chulalongkorn University - DAP 10/2004	64,548,932 share (25.267%)	(Mr. Chalay Kunawong)	2003-Present	- Chief Executive Officer And Chairman	- CMO Public Company Limited
					2017-Present	- Chairman	- Imaginia Co., Ltd
					2015-Present	- Director	- CMO Show Crop Co., Ltd
					2015-Present	- Chairman	- Muse Corporation Co., Ltd.
					2014-Present	- Chairman	- Momentum S Co., Ltd.
					2008-Present	- Director	- Exposition Technology Co., Ltd.
2003-Present	- Chairman	- PM Center Co., Ltd.					
1986-Present	- Chairman	- The Eyes Co., Ltd.					
5. Mr. Chalay Kunawong	62	- Ph.D. in Philosophy, The Ohio State University	None	Relative of (Mr. Sermkhun Kunawong)	2013-Present	- Director	- CMO Public Company Limited
					1990-Present	- Managing Director	- Ongsa Architects Co., Ltd.
6. Mr. Upathum Nitsitsukcharoen	53	- Faculty of Architecture, Chulalongkorn University, Bachelor's degree of Industrial design	39,730,000 share	-	2017-Present	- Director	- CMO Public Company Limited
					2018-Present	- Director	- Breathtaking Co.,Ltd
					2017-Present	- Director	- Phenomeon Creation Co.,Ltd
					2017-Present	- Director	- Ignition Co., Ltd.
					2016-Present	- Director	- FWR Co., Ltd.
					2013-Present	- Director	- WrokRight Jointventure
2012-Present	- Director Chairman of Board of Directors	- Rightman North Col, Ltd.					
1990-Present	- Chairman of Board of Directors	- Rightman Co., Ltd.					
7. Miss Panitda Klaimanee	48	- BA, Suan Dusit Rajabhat University	32,500 share (0.013%)	-	2008-Present	- Managing Director	- CMO Public Company Limited
					1994-2008	- Director	- CMO Public Company Limited
8. Miss Jutiporn Mingkwanrungrueng	45	- Master of Business Administration at Queensland University of Technology, Australia	6,250 share (0.002%)	-	2012-Present	- Managing Director	- CMO Public Company Limited
					2007-2012	- Director	- CMO Public Company Limited
9. Mongkol Silthumpitug	45	- Bachelor of Communication Arts, Payap University	None	-	2013-Present	- Managing Director	- CMO Public Company Limited
					2004-2013	- Director	- CMO Public Company Limited
10. Wanna Issarangkul Na Ayutaya	43	- Interior Architecture, King Mongkut's Institute of Technology	None	-	2015-Present	- Managing Director	- CMO Public Company Limited
					2007-2014	- Director	- CMO Public Company Limited
11. Miss Napatchanand Phetluan	46	- Bachelor of Communication Arts, Bangkok University	None	-	2017-Present	- Managing Director (1 January 2017)	- CMO Public Company Limited
					2015-2016	- Acting Director	- CMO Public Company Limited
12. Miss Chanasa Dersombull	43	- Bachelor of Communication Arts, Thammasat University	None	-	2017-Present	- Managing Director (1 January 2017)	- CMO Public Company Limited
					2015-2016	- Director	- CMO Public Company Limited
13. Miss Piyamart Yongsirichaisakul	40	- International Business Management, Business school University of Surrey, UK - FPCS 19/2008 - CSP 33/2009 - EMT 15/2009	25 share (0.00001%)	-	2016-Present	- Chief Financial Officer	- CMO Public Company Limited
					2009-Present	- Company Secretary	- CMO Public Company Limited

Attachment 1.2 Information of Board of Directors,  
Executive Managements and Director who have Authorize to Sign of CMO Public Company Limited  
and Subsidiaries as at December 31, 2017.

Name	CMO Plc.	S. Cubic Co., Ltd.	Join venture	Subsidiaries						
			CMO Show Crop Co., Ltd.	PM Center Co., Ltd.	The Eyes Co., Ltd.	Exposition Technology Co., Ltd.	Momentum S Co., Ltd.	Muse Corporation Co., Ltd.	Imaginia Co., Ltd.	
1. Mr. Anant Katepithaya	//, ////									
2. Mr. Netipong Wichitwechkarn	//, ////									
3. Ms. Anusra Chittmittrapap	//, ////									
4. Mr. Sermkhun Kunawong	/, //, ///, ////	//, ///, ////	//, ////	/, ////	/, ////	/, ////	/, ////	/, ////	/, ////	/, ////
5. Mr. Chalay Kunawong	//, ////	//, ////	//, ////	//, ////	//, ////		//, ////	//, ////	//, ////	//, ////
6. Mr. Upathum Nisitsukcharoen	//									
7. Ms. Panitda Klaimanee	///									
8. Ms. Jutipom Mingkwanrungrueng	///									
9. Mr. Mongkol Silthumpitug	///									
10. Ms. Wanna Issarangkul Na Ayutaya	///									
11. Ms. Napatchanand Phetluan	///									
12. Ms. Chanasa Dermsombull	///									

Remark / = Chairman // = Committee /// = Executive Management //// = Directors who have authorize to sign ///// = Audit Committee

## Attachment 2

Information of Subsidiaries as at December 31, 2017

Name	Subsidiaries								Join venture
	PM Center Co., Ltd.	The Eyes Co., Ltd.	Exposition Technology Co., Ltd.	Imaginia Co., Ltd.	Momentum S Co., Ltd.	Muse Corporation Co., Ltd.	Bayon CM Organizer Co., Ltd.	CMO Show Crop Co., Ltd.	
1. Mr.Sermkhun Kunawong	/, ////	/, ////	//, ////	/, ////	/, ////	/, ////	//, ///, ////	//, ////	
2. Mr.Chalay Kunawong	//, ////	//, ////		//, ////	//, ////	//, ////		//, ////	
3. Mr.Pratheep Pooranawatanakul			//, ////						
4. Ms.Darasri Pooranawatanakul			//, ////						
5. Ms.Pannatorn Boonmahitthisud				//, ////					
6. Mr.Akawut Siriruk				//, ////					
7. Ms.Nuttiga Soontorncharoenont					//, ////				
8. Ms.Sira-ai Rujipapisit					//, ////				
9. Ms.Muanfan Sirikorn Kunawong						//, ////			
10. Mr.Chayaditt Hutauwatra								//, ////	
11. Mr.Low Heang Thong								//, ////	
12. Mr.Goh Soo Sing								//, ////	

Remark / = Chairman // = Committee /// = Executive Management //// = Directors who have authorize to sign ///// = Audit Committee

\*On closing process





CMO Plc.