

CMO PUBLIC COMPANY LIMITED  
AND SUBSIDIARIES AND JOINT VENTURES  
FINANCIAL STATEMENTS AND AUDITOR'S REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2013

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## **Auditor's Report**

**To the Board of Directors and Shareholders of CMO Public Company Limited and its subsidiaries and joint ventures:**

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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



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

### **Opinion**

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

### **Emphasis of Matter**

As explained in the Note 2 to the financial statements, during the year ended December 31, 2013, the Company has adopted new and revised Thai Financial Reporting Standards, which are issued by the Federation of Accounting Professions and effective for the financial statements for the period beginning on or after January 1, 2013, for the preparation and presentation of these financial statements. The financial statements for the year ended December 31, 2012 and the statements of financial position as at January 1, 2012, which have been presented herewith for comparative information have been restated for the effects of the adoption of new and revised Thai Financial Reporting Standards.



Atipong AtipongSakul  
Certified Public Accountant  
Registration Number 3500

ANS Audit Company Limited  
Bangkok, February 26, 2014

CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES

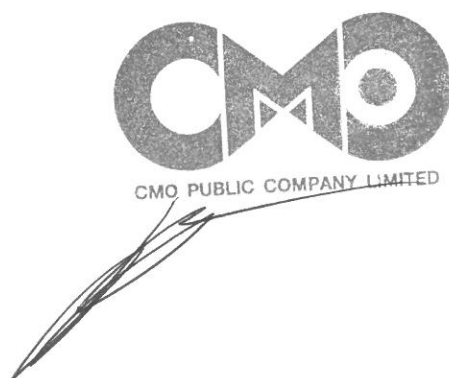
STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

Unit: Baht

|  | Notes      | Consolidated financial statements |                                |                              | Separate financial statements |                                |                              |
|--|------------|-----------------------------------|--------------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------|
|  |            | December 31, 2013                 | December 31 2012<br>(RESTATED) | January 1 2012<br>(RESTATED) | December 31, 2013             | December 31 2012<br>(RESTATED) | January 1 2012<br>(RESTATED) |
| <b>ASSETS</b>                              |            |                                   |                                |                              |                               |                                |                              |
| <b>Current assets</b>                      |            |                                   |                                |                              |                               |                                |                              |
| Cash and cash equivalents                  | 6          | 29,519,469.44                     | 22,724,867.64                  | 31,552,325.75                | 7,724,178.22                  | 3,686,414.54                   | 6,953,755.00                 |
| Trade and other receivables - net          | 5, 7       | 288,110,655.20                    | 278,193,627.46                 | 223,906,715.26               | 199,324,570.14                | 207,010,480.74                 | 174,434,329.01               |
| Short-term loan to related companies - net | 5          | 1,100,000.00                      | 50,000.00                      | 50,000.00                    | 25,200,000.00                 | 50,000.00                      | 50,000.00                    |
| Work in process - net                      | 8          | 13,557,755.54                     | 8,190,312.49                   | 97,547,709.73                | 14,780,326.86                 | 6,972,229.47                   | 100,308,671.65               |
| <b>Total current assets</b>                |            | <b>332,287,880.18</b>             | <b>309,158,807.59</b>          | <b>353,056,750.74</b>        | <b>247,029,075.22</b>         | <b>217,719,124.75</b>          | <b>281,746,755.66</b>        |
| <b>Non-current assets</b>                  |            |                                   |                                |                              |                               |                                |                              |
| Restricted deposits at bank                | 11         | 9,715,406.45                      | 5,821,784.75                   | 944,063.89                   | 734,604.16                    | 722,775.66                     | 710,009.12                   |
| Investments - net                          | 5          | -                                 | -                              | -                            | 175,343,592.57                | 161,085,000.00                 | 155,080,000.00               |
| Non-current assets held for Sale           | 9          | 25,224,048.91                     | -                              | -                            | 17,304,015.70                 | -                              | -                            |
| Advance for purchase of building           | 5          | -                                 | -                              | -                            | 33,000,000.00                 | -                              | -                            |
| Property, plant and equipment - net        | 10, 13, 16 | 551,753,701.62                    | 376,156,746.81                 | 322,940,800.65               | 51,266,452.10                 | 50,655,347.72                  | 47,886,162.41                |
| Goodwill                                   | 5          | 6,816,249.57                      | 7,977,657.00                   | 4,635,859.29                 | -                             | -                              | -                            |
| Deferred tax assets                        | 11         | 5,752,733.06                      | 7,130,382.58                   | 13,947,037.91                | 4,026,160.24                  | 4,642,521.00                   | 12,548,379.75                |
| Other non-current assets                   | 12         | 34,248,881.74                     | 35,340,473.82                  | 28,697,768.79                | 28,570,202.05                 | 33,280,444.35                  | 23,731,595.79                |
| <b>Total non-current assets</b>            |            | <b>633,511,021.35</b>             | <b>432,427,044.96</b>          | <b>371,165,530.53</b>        | <b>310,245,026.82</b>         | <b>250,386,088.73</b>          | <b>239,956,147.07</b>        |
| <b>Total assets</b>                        |            | <b>965,798,901.53</b>             | <b>741,585,852.55</b>          | <b>724,222,281.27</b>        | <b>557,274,102.04</b>         | <b>468,105,213.48</b>          | <b>521,702,902.73</b>        |

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CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

Unit: Baht

| Notes  | Consolidated financial statements |                       |                       | Separate financial statements |                       |                       |
|--|-----------------------------------|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|
|  | December 31, 2013                 | December 31 2012      | January 1 2012        | December 31, 2013             | December 31 2012      | January 1 2012        |
|  |                                   | (RESTATED)            | (RESTATED)            |                               | (RESTATED)            | (RESTATED)            |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                      |                                   |                       |                       |                               |                       |                       |
| <b>Current liabilities</b>                                       |                                   |                       |                       |                               |                       |                       |
| Bank overdrafts and short-term loans from financial institutions |                                   |                       |                       |                               |                       |                       |
| 13   | 235,421,275.83                    | 134,208,972.21        | 158,173,245.64        | 169,236,544.26                | 92,293,372.82         | 142,243,190.87        |
| 5, 14  | 127,818,141.66                    | 142,871,630.08        | 194,244,419.56        | 86,638,563.44                 | 93,791,784.52         | 157,987,282.60        |
| 15   | 38,230,595.52                     | 26,029,092.02         | 14,567,551.94         | 1,210,840.29                  | 666,721.38            | 587,627.47            |
| 16   | 18,104,000.00                     | 6,439,915.33          | 9,072,000.00          | -                             | 2,676,000.00          | 2,676,000.00          |
| 5  | 83,884.00                         | -                     | -                     | -                             | -                     | 11,400,000.00         |
| 17   | -                                 | 7,000,000.00          | -                     | -                             | -                     | -                     |
|  | 9,475,036.00                      | -                     | -                     | -                             | -                     | -                     |
|  | -                                 | 561,767.68            | 1,070,117.84          | -                             | -                     | -                     |
|  | <b>429,132,933.01</b>             | <b>317,111,377.32</b> | <b>377,127,334.98</b> | <b>257,085,947.99</b>         | <b>189,427,878.72</b> | <b>314,894,100.94</b> |
| <b>Non-current liabilities</b>                                   |                                   |                       |                       |                               |                       |                       |
| 15   | 41,013,045.11                     | 29,035,831.13         | 21,125,456.41         | 1,963,283.04                  | 1,302,727.13          | 1,969,448.06          |
| 16   | 86,592,689.92                     | 6,076,035.74          | 12,515,951.07         | -                             | 3,962,035.74          | 6,638,035.74          |
| 11   | 17,922,547.60                     | 16,759,521.61         | 16,353,690.91         | 600,000.00                    | 600,000.00            | 600,000.00            |
| 18   | 4,194,081.43                      | 3,690,922.78          | 3,093,437.50          | 1,020,196.43                  | 919,446.78            | 825,389.50            |
|  | -                                 | 237,020.00            | 149,993.00            | -                             | -                     | -                     |
|  | <b>149,722,364.06</b>             | <b>55,799,331.26</b>  | <b>53,238,528.89</b>  | <b>3,583,479.47</b>           | <b>6,784,209.65</b>   | <b>10,032,873.30</b>  |
|  | <b>578,855,297.07</b>             | <b>372,910,708.58</b> | <b>430,365,863.87</b> | <b>260,669,427.46</b>         | <b>196,212,088.37</b> | <b>324,926,974.24</b> |

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CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

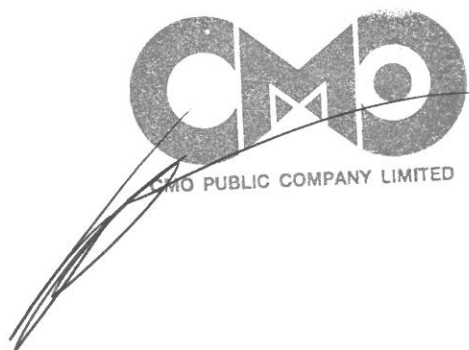
| Unit: Baht  |   |                       |                       |                               |                       |                       |
|---|---|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|
| Notes   | Consolidated financial statements                 |                       |                       | Separate financial statements |                       |                       |
|   | December 31, 2013                                 | December 31 2012      | January 1 2012        | December 31, 2013             | December 31 2012      | January 1 2012        |
|   |   | (RESTATED)            | (RESTATED)            |                               | (RESTATED)            | (RESTATED)            |
| <b>Shareholders' equity</b>                       |   |                       |                       |                               |                       |                       |
| Share capital                                     |   |                       |                       |                               |                       |                       |
| Authorized share capital                          |   |                       |                       |                               |                       |                       |
| Common shares 222,500,000 shares in 2013 and 2012 |   |                       |                       |                               |                       |                       |
|   | at Baht 1 each                                    | 222,500,000.00        | 222,500,000.00        | 150,000,000.00                | 222,500,000.00        | 222,500,000.00        |
| Issued and fully paid-up share capital            |   |                       |                       |                               |                       |                       |
| Common shares 190,754,935 shares in 2013 and      |   |                       |                       |                               |                       |                       |
| Common shares 187,494,835 shares in 2012          |   |                       |                       |                               |                       |                       |
|   | at Baht 1 each                                    | 190,754,935.00        | 187,494,835.00        | 150,000,000.00                | 190,754,935.00        | 187,494,835.00        |
|   | Premiums on share capital                         | 47,587,716.58         | 44,121,936.71         | 44,121,936.71                 | 47,587,716.58         | 44,121,936.71         |
|   | Reserve for share-based payments                  | 2,954,218.44          | 340,078.20            | -                             | 2,954,218.44          | 340,078.20            |
|   | Discount on investments                           | 4,907,142.73          | 4,907,142.73          | 4,907,142.73                  | -                     | -                     |
| Retained earnings                                 |   |                       |                       |                               |                       |                       |
| Appropriated                                      |   |                       |                       |                               |                       |                       |
|   | Appropriated to legal reserve                     | 8,550,015.47          | 6,827,865.34          | 2,485,244.36                  | 8,550,015.47          | 6,827,865.34          |
|   | Unappropriated                                    | 62,986,205.64         | 50,516,096.78         | 18,789,177.59                 | 44,357,789.09         | 30,708,409.86         |
|   | Other components of shareholders' equity          | 62,147,732.50         | 62,147,732.50         | 62,147,732.50                 | 2,400,000.00          | 2,400,000.00          |
|   | Total shareholders' equity of the company         | 379,887,966.36        | 356,355,687.26        | 282,451,233.89                | 296,604,674.58        | 271,893,125.11        |
|   | Non-controlling interests                         | 7,055,638.10          | 12,319,456.71         | 11,405,183.51                 | -                     | -                     |
|   | Total shareholders' equity                        | 386,943,604.46        | 368,675,143.97        | 293,856,417.40                | 296,604,674.58        | 271,893,125.11        |
|   | <b>Total liabilities and shareholders' equity</b> | <b>965,798,901.53</b> | <b>741,585,852.55</b> | <b>724,222,281.27</b>         | <b>557,274,102.04</b> | <b>468,105,213.48</b> |



**CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

Unit: Baht

|   | Notes    | Consolidated financial statements |                  | Separate financial statements |                  |
|---|----------|-----------------------------------|------------------|-------------------------------|------------------|
|   |          | 2013                              | 2012             | 2013                          | 2012             |
|   | 3, 4, 23 |                                   | (RESTATED)       |                               | (RESTATED)       |
| <b>Revenues from services</b>                   |          | 1,095,334,508.73                  | 1,237,279,861.49 | 630,175,940.40                | 803,943,558.16   |
| Cost of services                                |          | (847,942,608.20)                  | (968,402,362.07) | (528,100,594.34)              | (682,161,571.27) |
| <b>Gross profit</b>                             |          | 247,391,900.53                    | 268,877,499.42   | 102,075,346.06                | 121,781,986.89   |
| Other incomes                                   |          | 8,200,668.85                      | 5,951,817.18     | 7,976,053.40                  | 6,845,722.37     |
| Selling expenses                                |          | (12,969,651.61)                   | (16,939,777.55)  | (5,570,517.79)                | (8,939,247.46)   |
| Administrative expenses                         |          | (168,253,349.37)                  | (136,573,575.50) | (87,426,135.28)               | (68,129,990.82)  |
| Finance costs                                   |          | (18,513,569.30)                   | (11,435,830.41)  | (8,107,363.55)                | (6,182,393.17)   |
| Dividend income                                 |          | -                                 | -                | 28,824,054.00                 | 44,398,740.50    |
| Profit before income tax expenses               |          | 55,855,999.10                     | 109,880,133.14   | 37,771,436.84                 | 89,774,818.31    |
| Income tax expenses                             | 11       | (14,780,139.22)                   | (24,679,799.69)  | (3,328,433.98)                | (10,828,257.51)  |
| <b>Profit for the periods</b>                   |          | 41,075,859.88                     | 85,200,333.45    | 34,443,002.86                 | 78,946,560.80    |
| Other comprehensive income (loss)               |          | -                                 | -                | -                             | -                |
| <b>Total comprehensive income for the years</b> |          | 41,075,859.88                     | 85,200,333.45    | 34,443,002.86                 | 78,946,560.80    |
| Profit attributable to                          |          |                                   |                  |                               |                  |
| Equity holders of the Company                   |          | 33,263,732.49                     | 77,733,817.55    | 34,443,002.86                 | 78,946,560.80    |
| Non-controlling interests                       |          | 7,812,127.39                      | 7,466,515.90     | -                             | -                |
|   |          | 41,075,859.88                     | 85,200,333.45    | 34,443,002.86                 | 78,946,560.80    |
| Earnings per share                              | 24       |                                   |                  |                               |                  |
| Basic earnings per share                        |          | 0.18                              | 0.41             | 0.18                          | 0.42             |
| Diluted earnings per share                      |          | 0.17                              | 0.41             | 0.17                          | 0.42             |



CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES  
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit: Baht

Consolidated financial statements

Equity attributable to equity holders of the Company

Other components of shareholders' equity

| Notes   | Issued and paid-up share capital | Premiums on share capital | Reserve for share-based payment | Discounts on investments | Retained earnings |                 | Surplus on land revaluation | Total other components of shareholders' equity | Equity holders of the Company | Non-controlling interests | Total Shareholders' Equity |
|---|----------------------------------|---------------------------|---------------------------------|--------------------------|-------------------|-----------------|-----------------------------|--|-------------------------------|---------------------------|----------------------------|
|   |                                  |                           |                                 |                          | Appropriated      | Unappropriated  |                             |  |                               |                           |                            |
|   |                                  |                           |                                 |                          |                   |                 | (RESTATED)                  | (RESTATED)                                     | (RESTATED)                    | (RESTATED)                | (RESTATED)                 |
| <b>Balance as at December 31, 2011 - as previously reported</b> | 150,000,000.00                   | 44,121,936.71             | -                               | 4,907,142.73             | 2,485,244.36      | 5,843,387.13    | 77,684,665.63               | 77,684,665.63                                  | 285,042,376.56                | 11,220,693.84             | 296,263,070.40             |
| Effects of changes in accounting policies                       | -                                | -                         | -                               | -                        | -                 | 12,945,790.46   | (15,536,933.13)             | (15,536,933.13)                                | (2,591,142.67)                | 184,489.67                | (2,406,653.00)             |
| <b>Balance as at January 1, 2012 after restated</b>             | 150,000,000.00                   | 44,121,936.71             | -                               | 4,907,142.73             | 2,485,244.36      | 18,789,177.59   | 62,147,732.50               | 62,147,732.50                                  | 282,451,233.89                | 11,405,183.51             | 293,856,417.40             |
| Changes in shareholders' equity for the year:                   |                                  |                           |                                 |                          |                   |                 |                             |  |                               |                           |                            |
| Stock dividend  | 19, 22                           | 37,494,835.00             | -                               | -                        | -                 | (37,494,835.00) | -                           | -  | -                             | -                         | -                          |
| Reserve for share-based payment                                 | 20                               | -                         | -                               | 340,078.20               | -                 | -               | -                           | -  | 340,078.20                    | -                         | 340,078.20                 |
| Appropriated to legal reserve                                   | 21                               | -                         | -                               | -                        | 4,342,620.98      | (4,342,620.98)  | -                           | -  | -                             | -                         | -                          |
| Dividend paid   | 22                               | -                         | -                               | -                        | -                 | (4,169,442.38)  | -                           | -  | (4,169,442.38)                | (9,691,259.50)            | (13,860,701.88)            |
| Non-controlling interests                                       | 5                                | -                         | -                               | -                        | -                 | -               | -                           | -  | -                             | 3,088,804.26              | 3,088,804.26               |
| Disposal of investment  | 5                                | -                         | -                               | -                        | -                 | -               | -                           | -  | -                             | 50,212.54                 | 50,212.54                  |
| Total comprehensive income for the year                         |                                  | -                         | -                               | -                        | -                 | 77,733,817.55   | -                           | -  | 77,733,817.55                 | 7,466,515.90              | 85,200,333.45              |
| <b>Balance at December 31, 2012</b>                             | 187,494,835.00                   | 44,121,936.71             | 340,078.20                      | 4,907,142.73             | 6,827,865.34      | 50,516,096.78   | 62,147,732.50               | 62,147,732.50                                  | 356,355,687.26                | 12,319,456.71             | 368,675,143.97             |
| Changes in shareholders' equity for the year:                   |                                  |                           |                                 |                          |                   |                 |                             |  |                               |                           |                            |
| Share capital increase  | 19                               | 3,000,400.00              | 3,000,400.00                    | -                        | -                 | -               | -                           | -  | 6,000,800.00                  | -                         | 6,000,800.00               |
| Warrants exercised  | 20                               | 259,700.00                | 465,379.87                      | 2,614,140.24             | -                 | -               | -                           | -  | 3,339,220.11                  | -                         | 3,339,220.11               |
| Appropriated to legal reserve                                   | 21                               | -                         | -                               | -                        | 1,722,150.13      | (1,722,150.13)  | -                           | -  | -                             | -                         | -                          |
| Dividend paid   | 22                               | -                         | -                               | -                        | -                 | (19,071,473.50) | -                           | -  | (19,071,473.50)               | (13,075,946.00)           | (32,147,419.50)            |
| Total comprehensive income for the year                         |                                  | -                         | -                               | -                        | -                 | 33,263,732.49   | -                           | -  | 33,263,732.49                 | 7,812,127.39              | 41,075,859.88              |
| <b>Balance at December 31, 2013</b>                             | 190,754,935.00                   | 47,587,716.58             | 2,954,218.44                    | 4,907,142.73             | 8,550,015.47      | 62,986,205.64   | 62,147,732.50               | 62,147,732.50                                  | 379,887,966.36                | 7,055,638.10              | 386,943,604.46             |



CMO PUBLIC COMPANY LIMITED

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

CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES

STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2013

Unit: Baht

|   | Separate financial statements |                                  |                           |                                 |                               |                 |  |  |              |                            |
|---|-------------------------------|----------------------------------|---------------------------|---------------------------------|-------------------------------|-----------------|--|--|--------------|----------------------------|
|   | Notes                         | Issued and paid-up share capital | Premiums on share capital | Reserve for share-based payment | Retained earnings (deficit)   |                 | Other components of shareholders' equity |  |              | Total Shareholders' Equity |
|   |                               |                                  |                           |                                 | Appropriated to legal reserve | Unappropriated  | Surplus on land revaluation              | other components of shareholders' equity | Total        |                            |
|   |                               |                                  |                           |                                 | (RESTATED)                    | (RESTATED)      | (RESTATED)                               | (RESTATED)                               | (RESTATED)   | (RESTATED)                 |
| <b>Balance as at December 31, 2011 - as previously reported</b> | 2                             | 150,000,000.00                   | 44,121,936.71             | -                               | 2,485,244.36                  | (14,779,632.33) | 3,000,000.00                             | 3,000,000.00                             | 3,000,000.00 | 184,827,548.74             |
| Effects of changes in accounting policies Income tax            |                               | -                                | -                         | -                               | -                             | 12,548,379.75   | (600,000.00)                             | (600,000.00)                             | (600,000.00) | 11,948,379.75              |
| <b>Balance as at January 1, 2012 after restated</b>             |                               | 150,000,000.00                   | 44,121,936.71             | -                               | 2,485,244.36                  | (2,231,252.58)  | 2,400,000.00                             | 2,400,000.00                             | 2,400,000.00 | 196,775,928.49             |
| Changes in shareholders' equity for the year:                   |                               |                                  |                           |                                 |                               |                 |  |  |              |                            |
| Stock dividend  | 19, 22                        | 37,494,835.00                    | -                         | -                               | -                             | (37,494,835.00) | -  | -  | -            | -                          |
| Reserve for share-based payment                                 | 20                            | -                                | -                         | 340,078.20                      | -                             | -               | -  | -  | -            | 340,078.20                 |
| Appropriated to legal reserve                                   | 21                            | -                                | -                         | -                               | 4,342,620.98                  | (4,342,620.98)  | -  | -  | -            | -                          |
| Dividend paid   | 22                            | -                                | -                         | -                               | -                             | (4,169,442.38)  | -  | -  | -            | (4,169,442.38)             |
| Total comprehensive income for the year                         |                               | -                                | -                         | -                               | -                             | 78,946,560.80   | -  | -  | -            | 78,946,560.80              |
| <b>Balance at December 31, 2012</b>                             |                               | 187,494,835.00                   | 44,121,936.71             | 340,078.20                      | 6,827,865.34                  | 30,708,409.86   | 2,400,000.00                             | 2,400,000.00                             | 2,400,000.00 | 271,893,125.11             |
| Changes in shareholders' equity for the year:                   |                               |                                  |                           |                                 |                               |                 |  |  |              |                            |
| Share capital increase  | 19                            | 3,000,400.00                     | 3,000,400.00              | -                               | -                             | -               | -  | -  | -            | 6,000,800.00               |
| Reserve for share-based payment                                 | 20                            | 259,700.00                       | 465,379.87                | 2,614,140.24                    | -                             | -               | -  | -  | -            | 3,339,220.11               |
| Appropriated to legal reserve                                   | 21                            | -                                | -                         | -                               | 1,722,150.13                  | (1,722,150.13)  | -  | -  | -            | -                          |
| Dividend paid   | 22                            | -                                | -                         | -                               | -                             | (19,071,473.50) | -  | -  | -            | (19,071,473.50)            |
| Total comprehensive income for the year                         |                               | -                                | -                         | -                               | -                             | 34,443,002.86   | -  | -  | -            | 34,443,002.86              |
| <b>Balance at December 31, 2013</b>                             |                               | 190,754,935.00                   | 47,587,716.58             | 2,954,218.44                    | 8,550,015.47                  | 44,357,789.09   | 2,400,000.00                             | 2,400,000.00                             | 2,400,000.00 | 296,604,674.58             |



The accompanying Notes are an integral part of the financial statements.  
CMO PUBLIC COMPANY LIMITED

**CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

Unit: Baht

|   | "UNAUDITED BUT REVIEWED"          |                       |                               |                      |
|---|-----------------------------------|-----------------------|-------------------------------|----------------------|
|   | Consolidated financial statements |                       | Separate financial statements |                      |
|   | 2013                              | 2012                  | 2013                          | 2012                 |
| <b>Cash Flows from Operating Activities:</b>  |                                   |                       |                               |                      |
| Profit before income tax expenses   | 55,855,999.10                     | 109,880,133.14        | 37,771,436.84                 | 89,774,818.31        |
| Adjustments to reconcile profit before income tax expense to net cash flow from operating activities: |                                   |                       |                               |                      |
| Depreciation  | 57,586,208.64                     | 59,917,390.28         | 6,463,711.72                  | 19,638,412.52        |
| Loss on land revaluation (reversal)   | -                                 | (12,956,532.96)       | -                             | (12,956,532.96)      |
| (Reversal) loss on bad debt   | 594,400.00                        | 5,011,335.14          | 394,400.00                    | (101,775.69)         |
| Reversal allowance for decline in value of inventories  | (790,673.60)                      | -                     | (790,673.60)                  | -                    |
| Impairment loss on investment   | -                                 | -                     | 2,241,407.43                  | -                    |
| Impairment loss on goodwill   | 1,161,407.43                      | -                     | -                             | -                    |
| Estimation of employee benefit obligations  | 503,158.65                        | 348,495.28            | 100,749.65                    | 94,057.28            |
| Share of loss from investments using the equity method  | -                                 | 489.97                | -                             | -                    |
| Dividend income   | -                                 | -                     | (28,824,054.00)               | (44,398,740.50)      |
| Reserve for share-based payments  | 2,871,760.11                      | 340,078.20            | 2,871,760.11                  | 340,078.20           |
| Gain on sales of fixed assets   | (3,791,098.08)                    | (632,602.39)          | (2,278,630.39)                | (180,503.94)         |
| (Gain) loss on disposal of investment in subsidiary   | -                                 | 46,912.86             | -                             | (405,000.00)         |
| Written off withholding tax   | 3,108,933.96                      | 291,028.33            | 2,825,942.89                  | 291,028.33           |
| Interest expenses   | 18,513,569.30                     | 11,435,830.41         | 8,107,363.55                  | 6,182,393.17         |
| Profit from Operating Activities before Changes in Operating Assets and Liabilities                   | 135,613,665.51                    | 173,682,558.26        | 28,883,414.20                 | 58,278,234.72        |
| Operating assets (increased) decreased  |                                   |                       |                               |                      |
| Trade and other receivables   | (10,461,427.74)                   | (56,626,881.34)       | 7,312,943.65                  | (24,559,406.54)      |
| Work in process and supplies  | (4,576,769.45)                    | 89,412,276.83         | (7,017,423.79)                | 93,336,442.18        |
| Other non-current assets  | 15,736,000.67                     | 7,822,078.40          | 14,899,041.25                 | 4,501,913.21         |
| Operating liabilities increased (decreased)   |                                   |                       |                               |                      |
| Trade and other payables  | (18,597,363.37)                   | (49,116,733.04)       | (8,893,140.59)                | (64,109,220.68)      |
| Other non-current liabilities   | (237,020.00)                      | 87,027.00             | -                             | -                    |
| Cash from operating activities  | 117,477,085.62                    | 165,260,326.11        | 35,184,834.72                 | 67,447,962.89        |
| Interest paid   | (18,595,866.97)                   | (11,456,709.34)       | (8,107,363.55)                | (6,268,670.57)       |
| Income tax paid   | (30,554,573.94)                   | (32,549,378.77)       | (15,726,815.06)               | (17,264,188.86)      |
| <b>Net cash from operating activities</b>   | <b>68,326,644.71</b>              | <b>121,254,238.00</b> | <b>11,350,656.11</b>          | <b>43,915,103.46</b> |



**CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

|   | Unit: Baht                        |                        |                               |                        |
|---|-----------------------------------|------------------------|-------------------------------|------------------------|
|   | "UNAUDITED BUT REVIEWED"          |                        |                               |                        |
|   | Consolidated financial statements |                        | Separate financial statements |                        |
|   | 2013                              | 2012                   | 2013                          | 2012                   |
| <b>Cash Flows from Investing Activities:</b>                            |                                   |                        |                               |                        |
| Increase in restricted deposits at bank                                 | (3,893,621.70)                    | (4,877,720.86)         | (11,828.50)                   | (12,766.54)            |
| Cash received from loans to related companies                           | -                                 | -                      | -                             | 500,000.00             |
| Cash payment of loans to related companies                              | (1,100,000.00)                    | -                      | (25,200,000.00)               | -                      |
| Cash received from sales of investment in subsidiary                    | -                                 | 405,000.00             | -                             | 405,000.00             |
| Cash from investment in subsidiary                                      | -                                 | 1,025,156.58           | -                             | -                      |
| Investment in subsidiary  | -                                 | (5,005,000.00)         | -                             | (6,005,000.00)         |
| Decrease in net assets of disposed subsidiary                           | -                                 | (451,912.86)           | -                             | -                      |
| Investment in joint venture   | -                                 | -                      | (16,500,000.00)               | -                      |
| Dividend income from investments  | -                                 | -                      | 5,852,620.95                  | 35,983,771.00          |
| Purchase of fixed assets  | (129,000,318.94)                  | (60,620,423.41)        | (38,892,992.18)               | (9,451,066.87)         |
| Cash deposit on advance for purchase of building                        | -                                 | -                      | (10,000,000.00)               | -                      |
| Cash received from sales of fixed assets                                | 21,544,484.31                     | 639,907.81             | 20,906,542.06                 | 180,505.94             |
| <b>Net cash used in investing activities</b>                            | <b>(112,449,456.33)</b>           | <b>(68,884,992.74)</b> | <b>(63,845,657.67)</b>        | <b>21,600,443.53</b>   |
| <b>Cash Flows from Financing Activities:</b>                            |                                   |                        |                               |                        |
| Increase (decrease) in bank overdraft and short-term loans              |                                   |                        |                               |                        |
| from financial institutions - net                                       | 101,212,303.62                    | (23,964,273.43)        | 76,943,171.44                 | (49,949,818.05)        |
| Cash payments for financial lease agreements                            | (32,105,024.06)                   | (21,593,690.60)        | (1,169,156.96)                | (587,627.02)           |
| Cash received from loans from related party                             | 83,884.00                         | -                      | -                             | -                      |
| Repayment of short-term loans from related parties                      | -                                 | -                      | -                             | (11,400,000.00)        |
| Cash received from (payment to) short-term loan from third party        | (7,000,000.00)                    | 7,000,000.00           | -                             | -                      |
| Cash received from short-term loan from financial institutions          | 20,780,337.00                     | -                      | -                             | -                      |
| Cash payment of long-term loans from financial institution              | (15,849,963.64)                   | (9,072,000.00)         | (6,638,035.74)                | (2,676,000.00)         |
| Decrease in non-controlling interests from disposed investment          | -                                 | 293,962.54             | -                             | -                      |
| Dividend paid   | (22,672,383.50)                   | (13,860,701.88)        | (19,071,473.50)               | (4,169,442.38)         |
| Cash received from share capital  | 6,468,260.00                      | -                      | 6,468,260.00                  | -                      |
| <b>Net cash from (used in) financing activities</b>                     | <b>50,917,413.42</b>              | <b>(61,196,703.37)</b> | <b>56,532,765.24</b>          | <b>(68,782,887.45)</b> |
| <b>Net increase (decrease) in cash and cash equivalents</b>             | <b>6,794,601.80</b>               | <b>(8,827,458.11)</b>  | <b>4,037,763.68</b>           | <b>(3,267,340.46)</b>  |
| <b>Cash and cash equivalents, Beginning of years</b>                    | <b>22,724,867.64</b>              | <b>31,552,325.75</b>   | <b>3,686,414.54</b>           | <b>6,953,755.00</b>    |
| <b>Cash and cash equivalents, End of years</b>                          | <b>29,519,469.44</b>              | <b>22,724,867.64</b>   | <b>7,724,178.22</b>           | <b>3,686,414.54</b>    |
| <b>Supplemental Disclosures of Cash Flows Information</b>               |                                   |                        |                               |                        |
| Increase in assets from long-term from financial institutions           | 87,250,365.49                     | -                      | -                             | -                      |
| Increase in assets from financial lease agreements during the years     | 56,283,741.54                     | 34,498,318.17          | 2,373,831.78                  | -                      |
| Increase in accounts payable for purchase fixed assets during the years | -                                 | (2,945,081.75)         | 1,739,919.51                  | (3,075,396.75)         |
| Offsetting of dividend against deposit for purchase of building         | -                                 | -                      | 23,000,000.00                 | -                      |

**CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURES**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

**1. GENERAL INFORMATION**

CMO Public Company Limited (“the Company”) was incorporated under Thai laws on June 5, 1991, and was subsequently transformed from a juristic person under the Civil and Commercial code as “a Company Limited” to be a juristic person under the Public Company Limited Act B.E. 2535 on December 29, 2003. The Company’s primary business is event management for public events, exhibitions and entertainment activities. The Company’s registered office is located at 1471 Soi Ladprao 94, Ladprao Rd., Plubpla, Wangthanglang, 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 with generally accepted accounting principles in Thailand.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

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

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

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.





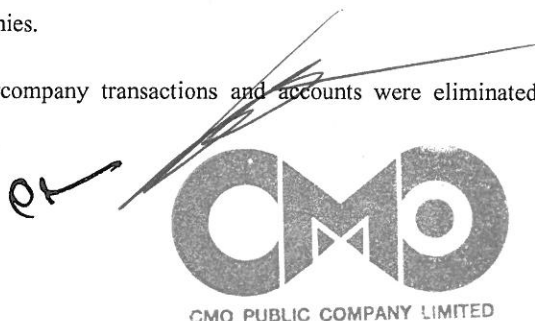
### Basis of consolidated financial statement presentation

The consolidated financial statements related to the Company and its subsidiaries and the interest in the joint venture (together referred to as the “Group”) as follows:

| <u>Subsidiaries</u>                               | <u>Nature of business</u>   | <u>% Equity interest owned by the Company</u> |                         |
|---|---|---|-------------------------|
|   |   | <u>31 December 2013</u>                       | <u>31 December 2012</u> |
| PM Center Co., Ltd.                               | Rental equipment for Image, Lighting, Sound and Effects.  | 99.99   | 99.99                   |
| The Eyes Co., Ltd.                                | Production of multi-vision slide, video, multimedia and computer graphics.                              | 99.95   | 99.95                   |
| Exposition Technology Co., Ltd.                   | Electrical and lighting services  | 40.00   | 40.00                   |
| Thoth Media Co., Ltd.                             | Online Media Marketing  | 35.00   | 35.00                   |
| <u>The subsidiary held by PM Center Co., Ltd.</u> |   |   |                         |
| Set Up Solution Co., Ltd.                         | Installation of equipment for Image system, Lighting, Sound, Effects and transportation services        | 99.99   | 99.99                   |
| <u>Joint venture</u>                              |   |   |                         |
| Dream Box and CM Organizer Joint Venture          | The musical show and stage play.  | -   | 50.00                   |
| CMO – TEE Entertainment Joint Venture             | Creating and production of events   | 50.00   | 50.00                   |
| CMO – Belink Joint Venture                        | Project “27 <sup>th</sup> Sea Games Lucky Cards Campaign” in Myanmar                                    | 80.00   | -                       |
| CMO – ZAAP Joint Venture                          | Management and development for project “Single Festival”, “Full Moon Party World Tour” and “Zaapgazine” | 50.00   | -                       |

The financial statements of Exposition Technology Co., Ltd. and Thoth Media Co., Ltd are included in the consolidated financial statements even though the Company’s shareholding is less than 50 percent. This is because the Company has control over their financial and operating policies, and they are therefore regarded as subsidiary companies.

All significant intercompany transactions and accounts were eliminated in preparing the consolidated financial statements.



Subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly through other subsidiaries, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The preparations of the consolidated financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

#### **New and revised Thai Financial Reporting Standards not yet effective**

The Federation of Accounting Professions issued Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Interpretation (TI) and guidelines which are effective for the financial statements for the period beginning on or after January 1, 2013 as follows:

| <u>TAS/TFRS/TI/FAP's Announcement</u> | <u>Topic</u>  |
|---------------------------------------|---|
| TAS 12                                | Income Taxes  |
| TAS 20 (revised 2009)                 | Accounting for Government Grants and Disclosures of Government Assistance     |
| TAS 21 (revised 2009)                 | The Effects of Changes in Foreign Exchange Rate                               |
| TFRS 8                                | Operating Segments  |
| TI 10                                 | Government Assistance – No Specific Relation to Operating Activities          |
| TI 21                                 | Income Taxes – Recovery of Revalued Non-Depreciable Assets                    |
| TI 25                                 | Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders |
| No. 34/2555                           | Accounting Guidance for Transfer and Transferred of Financial Assets          |

The management of the Group has assessed the effects of these TAS, TFRS, TI and guideline, and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied except as follows:

#### **TAS 12 – Income Taxes**

The main change introduced by TAS 12 is the requirement to account for deferred tax liabilities and assets in the Group's financial statements. Deferred tax assets and liabilities are the amounts of income taxes recoverable and payable, respectively, in future periods in respect of temporary differences between the carrying amount of the liability or asset in the statement of financial position and the amount attributed to that liability or asset for tax purposes, and the carry forward of unused tax losses.



The Group will adopt TAS 12 with effective from January 1, 2013. The effects of the change will be recognised retrospectively in the financial statements and the statement of financial position as at December 31, 2012 and January 1, 2012 and the statement of comprehensive income for the year ended December 31, 2012 will be adjusted accordingly. The management estimates that the impact on the financial statement are as follows:

|   | Unit: Thousand Baht               |                   |                 |
|---|-----------------------------------|-------------------|-----------------|
|   | Consolidated financial statements |                   |                 |
|   | December 31, 2013                 | December 31, 2012 | January 1, 2012 |
| <b>The Statements of financial position</b>             |                                   |                   |                 |
| Increase in deferred tax assets                         | 5,753                             | 7,130             | 13,947          |
| Increase in deferred tax liabilities                    | 17,923                            | 16,760            | 16,354          |
| Increase in retained earnings                           | 3,368                             | 5,818             | 12,946          |
| Increase (decrease) in non-controlling interests        | (1)                               | 89                | 184             |
| Decrease in other components of<br>shareholders' equity | 15,537                            | 15,537            | 15,537          |
| Decrease in shareholders' equity                        | 12,169                            | 9,719             | 2,591           |

|   | Unit: Thousand Baht           |                   |                 |
|---|-------------------------------|-------------------|-----------------|
|   | Separate financial statements |                   |                 |
|   | December 31, 2013             | December 31, 2012 | January 1, 2012 |
| <b>The Statements of financial position</b>             |                               |                   |                 |
| Increase in deferred tax assets                         | 4,026                         | 4,642             | 12,548          |
| Increase in deferred tax liabilities                    | 600                           | 600               | 600             |
| Increase in retained earnings                           | 4,026                         | 4,642             | 12,548          |
| Increase in non-controlling interests                   | 600                           | 600               | 600             |
| Decrease in other components of<br>shareholders' equity | 3,426                         | 4,042             | 11,948          |



Unit: Thousand Baht

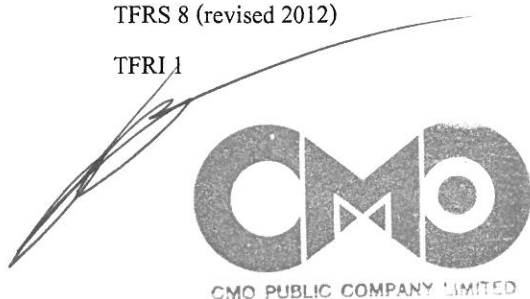
|   | Consolidated financial statements |       | Separate financial statements |       |
|---|-----------------------------------|-------|-------------------------------|-------|
|   | 2013                              | 2012  | 2013                          | 2012  |
| <b>the statements of comprehensive income</b> |                                   |       |                               |       |
| <b>for the years ended December 31,</b>       |                                   |       |                               |       |
| Increase in income tax expense                | 2,540                             | 7,222 | 616                           | 7,906 |
| Decrease in profit for the year               | 2,540                             | 7,222 | 616                           | 7,906 |
| Decrease in basic earnings                    |                                   |       |                               |       |
| per share (Baht per share)                    | 0.013                             | 0.039 | 0.003                         | 0.042 |

**New and revised Thai Financial Reporting Standards not yet effective**

The Group has not yet adopted the new and revised Thai Financial Reporting Standards as follows:

- a) Thai Accounting Standards (“TAS”), Thai Financial Reporting Standards (“TFRS”), Thai Financial Reporting Interpretation (“TFRI”) and Thai Interpretation (“TI”) which are effective for the financial statements for the period beginning on or after January 1, 2014 as follows:

| TAS/TFRS/TFRI/TI      | Topic  |
|-----------------------|--|
| TAS 1 (revised 2012)  | Presentation of Financial Statements                                     |
| TAS 7 (revised 2012)  | Statement of Cash Flows  |
| TAS 12 (revised 2012) | Income Taxes   |
| TAS 17 (revised 2012) | Leases   |
| TAS 18 (revised 2012) | Revenue  |
| TAS 19 (revised 2012) | Employee Benefits  |
| TAS 21 (revised 2012) | The Effects of Changes in Foreign Exchange Rate                          |
| TAS 24 (revised 2012) | Related Party Disclosures  |
| TAS 28 (revised 2012) | Investments in Associates  |
| TAS 31 (revised 2012) | Interests in Joint Venture   |
| TAS 34 (revised 2012) | Interim Financial Reporting  |
| TAS 36 (revised 2012) | Impairment of Assets   |
| TAS 38 (revised 2012) | Intangible assets  |
| TFRS 2 (revised 2012) | Share-based Payment  |
| TFRS 3 (revised 2012) | Business Combinations  |
| TFRS 5 (revised 2012) | Non-current Assets Held for Sale and Discontinued Operations             |
| TFRS 8 (revised 2012) | Operating Segments   |
| TFRI 1                | Changes in Existing Decommissioning, Restoration and Similar Liabilities |



| TAS/TFRS/TFRI/TI | Topic   |
|------------------|---|
| TFRI 4           | Determining whether an Arrangement contains a Lease   |
| TFRI 5           | Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds |
| TFRI 7           | Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies |
| TFRI 10          | Interim Financial Reporting and Impairment  |
| TFRI 12          | Service Concession Arrangements   |
| TFRI 13          | Customer Loyalty Programmes   |
| TFRI 17          | Distributions of Non-cash Assets to Owners  |
| TFRI 18          | Transfers of Assets from Customers  |
| TI 15            | Operating Leases-Incentives   |
| TI 27            | Evaluating the Substance of Transactions Involving the Legal Form of a Lease                      |
| TI 29            | Disclosure-Service Concession Arrangements  |
| TI 32            | Intangible Assets-Web Site Costs  |

The management of the Group is assessing the impacts of these interpretations on the financial statements for the period in which they are initially applied.

- b) Thai Financial Reporting Standard (TFRS) which is effective for the financial statements for the period beginning on or after January 1, 2016 as follows:

| TFRS       | Topic               |
|------------|---------------------|
| TFRS No. 4 | Insurance Contracts |

The management of the Group is assessing the impacts of this standard on the financial statements for the period in which 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 service but unbilled has presented in unbilled receivable which included in trade accounts receivable.

Revenues from decoration construction are recognized based on the percentage of completion computing on the proportion of actual cost incurred compared to the estimated total cost. Uninvoiced income is presented as unbilled receivable included as part of account receivable while the respective cost is presented in statement of comprehensive income.

Revenues from rental of Image, Lighting, and Sound, and Effect techniques equipment are recognized when the services are completed.

Revenues from the production of slide, multivision, video, multimedia and computer graphics are recognized when the productions are delivered to the customers.

Revenues from 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.

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

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

#### **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 Subsidiaries and Joint Ventures**

Investments in joint venture are presented in the consolidated financial statements by using the proportionate method.

Investments in subsidiaries and joint venture 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 arisen from the acquisition of the investment in a subsidiary company as “Discount on Investments” shown under the shareholders’ equity. This will be recognized in the statement of comprehensive income when the investment is disposed.

**Non-current Assets Held for Sale**

The Company measure non-current assets held for sale at the lower of carrying amount and fair value less costs of disposal.

**Property, Plant and Equipment and Depreciation**

Land is presented at the appraised value appraised by the independent appraiser, dated February 9, 2011 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:-

|  | <u>Useful life (years)</u> |
|--|----------------------------|
| Buildings                              | 30                         |
| Building improvements                  | 5                          |
| Building and equipment on leased space | The remaining lease term   |
| Operating equipment                    | 3, 5                       |
| Office equipment                       | 3, 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.

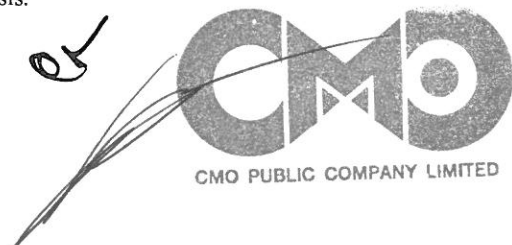
**Financial Lease Agreements**

The Group records operating equipment and vehicle under financial leases as assets and liabilities at amounts equal to the fair value of the leased assets at the inception of the lease or, if lower, at the present value of the minimum lease payments. In calculating the present value of the minimum lease payments, the discount factor is the lease’s implicit interest rate. Interest expense is allocated to periods during the lease term according to the remaining balance of the liability for each year.

**Employee Benefits**

*Short-term benefits*

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



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

The employee benefits liabilities in relation to the severance payment under the labor law are recognized as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognizes actuarial gains or losses in the profit or loss in the period in which they arise.

#### **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 expense represents 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 recognise 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 recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying 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 utilised.

The Group record 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 ruling 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 ruling on that dates. Gain or losses on exchange rates are recognized as income or expenses for the year.

### **Basic Earnings per Share and Diluted Earnings per Share**

Basic earnings per share are computed by dividing the profit for the year by the weighted average number of issued and paid-up common shares and the increased shares from warrants exercised during the year.

Diluted earnings per share are calculated by dividing the net profit for the year by the weighted average number of ordinary shares including the effect of shares to be increased from exercise warrants for 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 judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

### **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.



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

### 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 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, 2013 and 2012, the significant transactions with related parties can be summarized as follows:

|   | Unit: Thousands Baht              |        |                               |        |
|---|-----------------------------------|--------|-------------------------------|--------|
|   | Consolidated financial statements |        | Separate financial statements |        |
|   | 2013                              | 2012   | 2013                          | 2012   |
| Transactions between<br>the Company and related parties |                                   |        |                               |        |
| For the years ended December 31,                        |                                   |        |                               |        |
| <b>Subsidiaries</b>                                     |                                   |        |                               |        |
| Dividend income   | -                                 | -      | 28,824                        | 44,399 |
| Other income  | -                                 | -      | 1,993                         | 1,611  |
| Interest income   | -                                 | -      | 295                           | -      |
| Cost of services  | -                                 | -      | 81,771                        | 84,438 |
| Other expenses  | -                                 | -      | 510                           | 1,612  |
| Interest expenses                                       | -                                 | -      | -                             | 375    |
| <b>Joint venture</b>                                    |                                   |        |                               |        |
| Revenue from services                                   | 935                               | 15,551 | 4,673                         | 31,101 |

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

### Management compensation – for key management personnel

For the year ended December 31, 2013 and 2012, these consist of the following:

|                          | Unit: Baht                        |                      |                               |                      |
|--------------------------|-----------------------------------|----------------------|-------------------------------|----------------------|
|                          | Consolidated financial statements |                      | Separate financial statements |                      |
|                          | 2013                              | 2012                 | 2013                          | 2012                 |
| Short-term benefits      | 43,875,041.14                     | 48,464,177.61        | 24,710,035.46                 | 27,605,650.84        |
| Post-employment benefits | 306,765.18                        | 314,898.41           | 63,614.57                     | 59,893.33            |
| <b>Total</b>             | <b>44,181,806.32</b>              | <b>48,779,076.02</b> | <b>24,773,650.03</b>          | <b>27,665,544.17</b> |

The outstanding balances as at December 31, 2013 and 2012 of the above transactions have been separately shown in the statements of financial position and consist of the following:

|   | Unit: Thousands Baht              |               |                               |               |
|---|-----------------------------------|---------------|-------------------------------|---------------|
|   | Consolidated financial statements |               | Separate financial statements |               |
|   | 2013                              | 2012          | 2013                          | 2012          |
| <b>Trade receivables - related companies</b>            |                                   |               |                               |               |
| Dream Box and CM Organizer Joint Venture                | -                                 | 45            | -                             | 45            |
| Exposition Technology Co., Ltd.                         | -                                 | -             | -                             | 321           |
| The Eyes Co., Ltd.                                      | -                                 | -             | 2,353                         | 1,190         |
| CMO – TEE Entertainment Joint Venture                   | 617                               | 10,318        | 1,233                         | 20,635        |
| <b>Total trade receivables - related companies</b>      | <b>617</b>                        | <b>10,363</b> | <b>3,586</b>                  | <b>22,191</b> |
| <b>Other receivables - related companies</b>            |                                   |               |                               |               |
| CMO – TEE Entertainment Joint Venture                   | -                                 | 216           | -                             | 431           |
| <b>Accrued interest - related companies</b>             |                                   |               |                               |               |
| PM Center Co., Ltd.                                     | -                                 | -             | 287                           | -             |
| The Eyes Co., Ltd.                                      | -                                 | -             | 2                             | -             |
| CMO - ZAAP Joint Venture                                | 6                                 | -             | 12                            | -             |
| Dream Box and CM Organizer Joint Venture                | -                                 | 7             | -                             | 7             |
| Less: Allowance for doubtful accounts                   | -                                 | (7)           | -                             | (7)           |
| <b>Total accrued interest - related companies - net</b> | <b>6</b>                          | <b>-</b>      | <b>301</b>                    | <b>-</b>      |



Unit: Thousands Baht

|  | Consolidated financial statements |            | Separate financial statements |              |
|--|-----------------------------------|------------|-------------------------------|--------------|
|  | 2013                              | 2012       | 2013                          | 2012         |
| <b>Accrued dividend income - related companies</b>       |                                   |            |                               |              |
| PM Center Co.,Ltd.                                       | -                                 | -          | 815                           | 4,915        |
| The Eyes Co., Ltd.                                       | -                                 | -          | -                             | 3,500        |
| Exposition Technology Co., Ltd.                          | -                                 | -          | 6,346                         | -            |
| Thoth Media Co., Ltd.                                    | -                                 | -          | 1,225                         | -            |
| <b>Total accrued dividend income - related companies</b> | <b>-</b>                          | <b>-</b>   | <b>8,386</b>                  | <b>8,415</b> |
| <b>Short-term loan to related companies</b>              |                                   |            |                               |              |
| PM Center Co., Ltd.                                      | -                                 | -          | 21,000                        | -            |
| The Eyes Co., Ltd.                                       | -                                 | -          | 2,000                         | -            |
| CMO - ZAAP Joint Venture                                 | 1,100                             | -          | 2,200                         | -            |
| Dream Box and CM Organizer Joint Venture                 | -                                 | 100        | -                             | 100          |
| <b>Total short-term loan to related companies</b>        | <b>1,100</b>                      | <b>100</b> | <b>25,200</b>                 | <b>100</b>   |
| Less: Allowance for doubtful accounts                    | -                                 | (50)       | -                             | (50)         |
| <b>Total short-term loan to related companies - net</b>  | <b>1,100</b>                      | <b>50</b>  | <b>25,200</b>                 | <b>50</b>    |

During the years, the Company had movements on loans to related parties as follow:-

Unit: Thousands Baht

|   | Consolidated financial statements |            | Separate financial statements |            |
|---|-----------------------------------|------------|-------------------------------|------------|
|   | 2013                              | 2012       | 2013                          | 2012       |
| <b>Short-term loan to related companies</b>     |                                   |            |                               |            |
| <b>Subsidiaries</b>                             |                                   |            |                               |            |
| Balance at beginning of the years               | -                                 | -          | -                             | 500        |
| Increase during the years                       | -                                 | -          | 23,000                        | -          |
| Decrease during the years                       | -                                 | -          | -                             | (500)      |
| <b>Balance at end of the years</b>              | <b>-</b>                          | <b>-</b>   | <b>23,000</b>                 | <b>-</b>   |
| <b>Related parties</b>                          |                                   |            |                               |            |
| Balance at beginning of the years               | 100                               | 100        | 100                           | 100        |
| Increase during the years                       | 1,100                             | -          | 2,200                         | -          |
| Decrease during the years                       | (100)                             | -          | (100)                         | -          |
| <b>Balance at end of the years</b>              | <b>1,100</b>                      | <b>100</b> | <b>2,200</b>                  | <b>100</b> |
| <b>Total short-term loan to related parties</b> | <b>1,100</b>                      | <b>100</b> | <b>25,200</b>                 | <b>100</b> |

The Company charged interest on loan to related parties by MOR rate per annum.

| Unit: Thousands Baht              |      |                               |      |
|-----------------------------------|------|-------------------------------|------|
| Consolidated financial statements |      | Separate financial statements |      |
| 2013                              | 2012 | 2013                          | 2012 |

**Advance for purchase of building**

|                     |   |   |        |   |
|---------------------|---|---|--------|---|
| PM Center Co., Ltd. | - | - | 33,000 | - |
|---------------------|---|---|--------|---|

On October 21, 2013, the Company entered into an agreement to purchase of building with a subsidiary in the amount of Baht 33 million by using the average value between the independent appraiser's value and the net book value in order to get a reasonable price for both parties (Net book value of Baht 30.84 million as at December 31, 2013). The Company had paid deposit of Baht 10 million and the Company had settled another deposit of Baht 23 million by offsetting against the accrued dividend receivable according to the supplement memorandum to purchase agreement on December 26, 2013. The transfer of ownership on building was made on January 29, 2014.





## Investments – net

Investments in subsidiaries and joint venture as at December 31, are as follow:

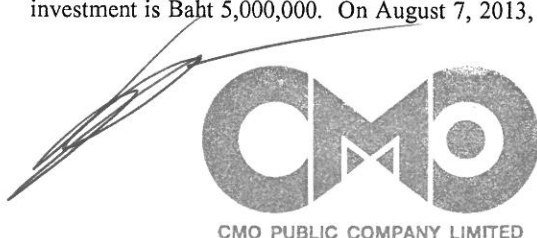
(Unit: Thousands Baht)

| Company                                     | Relationships                          | Separate financial statements |                |                |                    |                |                |                 |        |
|---|--|-------------------------------|----------------|----------------|--------------------|----------------|----------------|-----------------|--------|
|   |  | 2013                          |                |                | 2012               |                |                | Dividend income |        |
|   |  | Paid-up<br>capital            | Ownership<br>% | Cost<br>method | Paid-up<br>capital | Ownership<br>% | Cost<br>method | 2013            | 2012   |
| <u>Subsidiaries</u>                         |  |                               |                |                |                    |                |                |                 |        |
| PM Center Co., Ltd.                         | Common management<br>and shareholdings | 135,000                       | 99.99          | 134,999        | 135,000            | 99.99          | 134,999        | 18,900          | 24,975 |
| The Eyes Co., Ltd.                          | Common management<br>and shareholdings | 15,000                        | 99.95          | 14,601         | 15,000             | 99.95          | 14,601         | 1,499           | 12,968 |
| Exposition Technology<br>Co., Ltd.          | Common management<br>and shareholdings | 2,000                         | 40.00          | 5,400          | 2,000              | 40.00          | 5,400          | 7,200           | 6,456  |
| Thoth Media Co., Ltd.                       | Common management<br>and shareholdings | 125                           | 35.00          | 5,005          | 125                | 35.00          | 5,005          | 1,225           | -      |
| <u>Joint Venture</u>                        |  |                               |                |                |                    |                |                |                 |        |
| Dream Box and CM<br>Organizer Joint Venture | Common management<br>and shareholdings | -                             | -              | -              | 160                | 50.00          | 80             | -               | -      |
| CMO - TEE Entertainment<br>Joint Venture    | Common management<br>and shareholdings | 2,000                         | 50.00          | 1,000          | 2,000              | 50.00          | 1,000          | -               | -      |
| CMO - Belink<br>Joint Venture               | Common management<br>and shareholdings | 20,000                        | 80.00          | 16,000         | -                  | -              | -              | -               | -      |
| CMO - ZAAP<br>Joint Venture                 | Common management<br>and shareholdings | 1,000                         | 50.00          | 500            | -                  | -              | -              | -               | -      |
| Total investments                           |  |                               |                | 177,505        |                    |                | 161,085        | 28,824          | 44,399 |
| Less: Impairment of investment              |  |                               |                | (2,161)        |                    |                | -              |                 |        |
| Total investments - net                     |  |                               |                | 175,344        |                    |                | 161,085        |                 |        |

On December 2, 2013, Dream Box and CM Organizer Joint Venture resolved to close down.

On September 6, 2013, the Company entered into a joint venture contract with ZAAP Enterprise Co., Ltd. and formed the CMO – ZAAP Joint Venture, which the Company shares net gain (loss) at 50:50%. The initial investment is Baht 1,000,000.

On June 10, 2013, the Company entered into a joint venture contract with Belink Media Co., Ltd. and formed the CMO – Belink Joint Venture, which the Company shares net gain (loss) at 70:30%. The initial investment is Baht 5,000,000. On August 7, 2013, the Company entered into an amendment agreement to



increase the investment from Baht 5,000,000 to Baht 20,000,000 (Increase of Baht 15,000,000) and to change the proportion to be 80:20.

During the year, the Company entered into a joint venture contract with Event Pro International, PT and formed the ROYALINDO CMO INFINITY, PT. The initial investment is USD 300,000 with the proportion of 50:50. On January 13, 2014, the Company sent a letter of Joint Venture Dissolution to partner. Therefore, ROYALINDO CMO INFINITY, PT. is under process to close down the entity.

On February 27, 2012, the Company disposed the investment in ordinary shares of Workmanship Set and Design Co., Ltd. of 27,000 shares at Baht 15 per share. The Company recognized the gain from disposal of investment in the separate statement of comprehensive income for the year ended 2012 of Baht 0.41 million.

On May 15, 2012, the Company acquired ordinary shares of Thoth Media Co., Ltd., of Baht 5.01 million equal to 1,750 shares at Baht 2,860 per share representing the 35% interest of such company's registered capital. This incurred the excess of cost over the such company's book value as at May 15, 2012 according to the unaudited financial statements of Baht 3.34 million.

On July 1, 2008, the Company acquired ordinary shares of Exposition Technology Co., Ltd., in the amount of Baht 5 million equal to 4,000 shares at Baht 1,250 per share (Par value of Baht 100 per share). This incurred the excess of cost over the book value as at July 1, 2008 of the subsidiary company according to the unaudited or unreviewed financial statements of Baht 4.64 million.

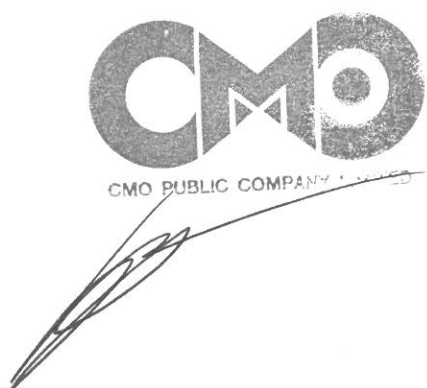


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Unit: Thousands Baht

|   | Consolidated financial statements |          | Separate financial statements |               |
|---|-----------------------------------|----------|-------------------------------|---------------|
|   | 2013                              | 2012     | 2013                          | 2012          |
| <b>Trade payable from related companies</b>       |                                   |          |                               |               |
| PM Center Co., Ltd.                               | -                                 | -        | 14,039                        | 3,973         |
| The Eyes Co., Ltd.                                | -                                 | -        | 1,141                         | 1,918         |
| Exposition Technology Co.,Ltd.                    | -                                 | -        | 1,395                         | 4,847         |
| Thoth Media Co., Ltd.                             | -                                 | -        | 75                            | 362           |
| CMO - Belink Joint Venture                        | 1,000                             | -        | 5,000                         | -             |
| <b>Total trade payable related companies</b>      | <b>1,000</b>                      | <b>-</b> | <b>21,650</b>                 | <b>11,100</b> |
| <b>Other payable from related companies</b>       |                                   |          |                               |               |
| The Eyes Co., Ltd.                                | -                                 | -        | 107                           | -             |
| Thoth Media Co., Ltd.                             | -                                 | -        | 96                            | -             |
| <b>Total other payable from related companies</b> | <b>-</b>                          | <b>-</b> | <b>203</b>                    | <b>-</b>      |
| <b>Short-term loan from related parties</b>       |                                   |          |                               |               |
| Directors   | 84                                | -        | -                             | -             |
| <b>Total short-term loan from related parties</b> | <b>84</b>                         | <b>-</b> | <b>-</b>                      | <b>-</b>      |

No interest charged for short-term loan from related parties.



OK



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

(Unit: Thousands Baht)

|   | Consolidated financial statements |      | Separate financial statements |          |
|---|-----------------------------------|------|-------------------------------|----------|
|   | 2013                              | 2012 | 2013                          | 2012     |
| <b>Short-term loan from related parties</b> |                                   |      |                               |          |
| <b>Subsidiaries</b>                         |                                   |      |                               |          |
| Balance at beginning of the years           | -                                 | -    | -                             | 11,400   |
| Decrease during the years                   | -                                 | -    | -                             | (11,400) |
| Balance at end of the years                 | -                                 | -    | -                             | -        |
| <b>Directors</b>                            |                                   |      |                               |          |
| Balance at beginning of the years           | -                                 | -    | -                             | -        |
| Increase during the years                   | 546                               | -    | -                             | -        |
| Decrease during the years                   | (462)                             | -    | -                             | -        |
| Balance at end of the years                 | 84                                | -    | -                             | -        |
| Total short-term loan from related parties  | 84                                | -    | -                             | -        |

#### 6. CASH AND CASH EQUIVALENTS

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

Unit: Baht

|                                 | Consolidated financial statements |               | Separate financial statements |              |
|---------------------------------|-----------------------------------|---------------|-------------------------------|--------------|
|                                 | 2013                              | 2012          | 2013                          | 2012         |
| Cash on hand                    | 380,427.50                        | 177,388.00    | 70,000.00                     | 70,000.00    |
| Cash at banks - savings account | 24,198,273.15                     | 19,657,533.24 | 7,156,948.81                  | 3,594,984.54 |
| Cash at banks - current account | 4,940,768.79                      | 2,889,946.40  | 497,229.41                    | 21,430.00    |
| Cash and cash equivalents       | 29,519,469.44                     | 22,724,867.64 | 7,724,178.22                  | 3,686,414.54 |



CMO PUBLIC COMPANY LIMITED

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

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

|   | Unit: Baht                        |                 |                               |                 |
|---|-----------------------------------|-----------------|-------------------------------|-----------------|
|   | Consolidated financial statements |                 | Separate financial statements |                 |
|   | 2013                              | 2012            | 2013                          | 2012            |
| Trade receivables                           |                                   |                 |                               |                 |
| Trade receivables - related companies       | 616,324.87                        | 10,362,507.46   | 3,585,974.51                  | 22,190,885.81   |
| Trade receivables - others                  | 295,649,085.94                    | 271,893,247.76  | 193,573,110.06                | 180,870,963.46  |
| Total trade receivables                     | 296,265,410.81                    | 282,255,755.22  | 197,159,084.57                | 203,061,849.27  |
| Less: Allowance for doubtful accounts       | (24,830,770.02)                   | (24,661,490.02) | (15,775,681.63)               | (15,820,401.63) |
| Trade receivables – net                     | 271,434,640.79                    | 257,594,265.20  | 181,383,402.94                | 187,241,447.64  |
| Other receivables                           |                                   |                 |                               |                 |
| Other receivables                           | 1,848,207.31                      | 215,351.11      | -                             | 430,702.22      |
| Advance to employee                         | 2,992,728.91                      | 3,258,354.50    | 2,090,791.91                  | 1,843,389.50    |
| Prepaid expenses                            | 2,892,816.64                      | 4,108,093.48    | 1,594,579.53                  | 2,771,678.19    |
| Deposit                                     | 686,474.73                        | 3,669,346.47    | -                             | -               |
| Undue output VAT                            | 5,814,586.25                      | 4,857,202.85    | 4,410,744.40                  | 3,910,014.51    |
| Accrued dividends income                    | -                                 | -               | 8,386,402.55                  | 8,414,969.50    |
| Accrued interest income - related companies | 5,778.76                          | 6,990.23        | 300,975.34                    | 6,990.23        |
| Revenue Department receivable               | 2,345,748.51                      | -               | -                             | -               |
| Others                                      | 605,804.30                        | 5,007,144.85    | 1,204,348.47                  | 2,444,954.18    |
| Total other receivables                     | 17,192,145.41                     | 21,122,483.49   | 17,987,842.20                 | 19,822,698.33   |
| Less: Allowance for doubtful accounts       | (516,131.00)                      | (523,121.23)    | (46,675.00)                   | (53,665.23)     |
| Total other receivables - net               | 16,676,014.41                     | 20,599,362.26   | 17,941,167.20                 | 19,769,033.10   |
| Total trade and other receivables - net     | 288,110,655.20                    | 278,193,627.46  | 199,324,570.14                | 207,010,480.74  |



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Trade receivables can be classified by age analysis as follow:

|   | Unit: Baht                        |                 |                               |                 |
|---|-----------------------------------|-----------------|-------------------------------|-----------------|
|   | Consolidated financial statements |                 | Separate financial statements |                 |
|   | 2013                              | 2012            | 2013                          | 2012            |
| Trade receivables – related companies       |                                   |                 |                               |                 |
| Not yet due                                 | -                                 | -               | 241,050.00                    | 7,092,371.50    |
| Past due                                    |                                   |                 |                               |                 |
| Over 3 months but not over 6 months         | -                                 | -               | 1,337,092.50                  | -               |
| Over 6 months but not over 12 months        | 616,324.87                        | -               | 2,007,832.01                  | -               |
| Over 12 months                              | -                                 | 44,720.00       | -                             | 44,720.00       |
| Unbilled receivables - related companies    |                                   |                 |                               |                 |
| Not yet due                                 | -                                 | 10,317,787.46   | -                             | 15,053,794.31   |
| Total trade receivables – related companies | 616,324.87                        | 10,362,507.46   | 3,585,974.51                  | 22,190,885.81   |
| Trade receivables - others                  |                                   |                 |                               |                 |
| Not yet due                                 | 95,210,779.61                     | 108,023,550.18  | 40,391,552.95                 | 60,989,063.62   |
| Past due                                    |                                   |                 |                               |                 |
| Less than 3 months                          | 86,179,854.02                     | 60,961,258.38   | 54,590,741.19                 | 33,876,825.51   |
| Over 3 months but not over 6 months         | 17,801,126.33                     | 3,627,316.50    | 14,746,490.33                 | 2,969,587.50    |
| Over 6 months but not over 12 months        | 3,880,647.42                      | 2,508,280.19    | 1,942,235.42                  | 2,506,140.19    |
| Over 12 months                              | 25,318,891.96                     | 26,757,672.52   | 16,156,803.57                 | 17,809,584.13   |
| Unbilled receivables - others               |                                   |                 |                               |                 |
| Not yet due                                 | 38,169,038.36                     | 47,498,700.41   | 36,656,538.36                 | 40,203,292.93   |
| Past due                                    |                                   |                 |                               |                 |
| Less than 3 months                          | 21,708,699.52                     | 16,734,413.50   | 21,708,699.52                 | 16,734,413.50   |
| Over 3 months but not over 6 months         | 389,200.00                        | 1,914,000.00    | 389,200.00                    | 1,914,000.00    |
| Over 6 months but not over 12 months        | 1,223,302.36                      | 1,056,743.75    | 1,223,302.36                  | 1,056,743.75    |
| Over 12 months                              | 5,767,546.36                      | 2,811,312.33    | 5,767,546.36                  | 2,811,312.33    |
| Total trade receivables - others            | 295,649,085.94                    | 271,893,247.76  | 193,573,110.06                | 180,870,963.46  |
| Total                                       | 296,265,410.81                    | 282,255,755.22  | 197,159,084.57                | 203,061,849.27  |
| Less: Allowance for doubtful accounts       | (24,830,770.02)                   | (24,661,490.02) | (15,775,681.63)               | (15,820,401.63) |
| Trade receivables – net                     | 271,434,640.79                    | 257,594,265.20  | 181,383,402.94                | 187,241,447.64  |

On June 19, 2012, a government education institution agreed to pay for the over 12 months overdue amount of Baht 7.30 million on the installment basis up to April 15, 2013. As at December 31, 2013, the remaining amount of debt is Baht 2.27 million. The management expects to receive the full settlement accounting to the agreement. Therefore the Company did not provide an allowance for the doubtful accounts.

8. **WORK IN PROCESS - NET**

Work in process as at December 31, consisted of:

|                               | Unit: Baht                        |                |                               |              |
|-------------------------------|-----------------------------------|----------------|-------------------------------|--------------|
|                               | Consolidated financial statements |                | Separate financial statements |              |
|                               | 2013                              | 2012           | 2013                          | 2012         |
| Work in process               | 14,420,138.10                     | 9,843,368.65   | 14,780,326.86                 | 7,762,903.07 |
| Loss on inventory devaluation | (862,382.56)                      | (1,653,056.16) | -                             | (790,673.60) |
| Total                         | 13,557,755.54                     | 8,190,312.49   | 14,780,326.86                 | 6,972,229.47 |

9. **NON-CURRENT ASSETS HELD FOR SALES**

On January 7, 2014, the Company entered into an agreement to sell land and building with a third party and the transfer of the ownership will be made within February 28, 2014. Therefore, the management of the Company has reclassified land and building to non-current assets held for sales.

On December 19, 2013, a subsidiary entered into an agreement to sell land and building with a third party and the transfer of ownership will be made after the subsidiary move the office to the new building which is under construction within March 3, 2014. Therefore, the management of the Company has reclassified land and building to non-current assets held for sales.



## 10. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment as at December 31, 2013 consisted of:

|  | Unit : Baht                       |                          |                         |   |                            |
|--|-----------------------------------|--------------------------|-------------------------|---|----------------------------|
|  | Consolidated financial statements |                          |                         |   |                            |
|  | As at<br>January 1, 2013          | Movement during the year |                         |   | As at<br>December 31, 2013 |
|  |                                   | Increase                 | Decrease                | Reclassify to<br>Non-current Assets<br>Held for Sales |                            |
| <b>Cost</b>                            |                                   |                          |                         |   |                            |
| Land                                   |                                   |                          |                         |   |                            |
| - At cost                              | 85,238,479.92                     | -                        | (8,701,178.79)          | (10,834,998.06)                                       | 65,702,303.07              |
| - Revaluation surplus                  | 76,206,036.48                     | -                        | -                       | (3,020,062.94)  | 73,185,973.54              |
| At appraised value                     | 161,444,516.40                    | -                        | (8,701,178.79)          | (13,855,061.00)                                       | 138,888,276.61             |
| Buildings                              | 88,369,431.00                     | 124,649,092.41           | (11,458,884.15)         | (18,776,389.00)                                       | 182,783,250.26             |
| Building improvements                  | 7,073,934.08                      | -                        | (383,837.00)            | (2,756,683.66)  | 3,933,413.42               |
| Building and equipment on leased space | 32,040,617.84                     | -                        | (32,040,617.84)         | -   | -                          |
| Operating equipment                    | 414,106,551.19                    | 88,736,410.81            | (17,479,314.75)         | -   | 485,363,647.25             |
| Office equipment                       | 47,484,227.41                     | 20,009,231.19            | (2,966,161.47)          | (10,973,390.94)                                       | 53,553,906.19              |
| Furniture and fixtures                 | 2,450,765.81                      | 190,478.51               | -                       | -   | 2,641,244.32               |
| Vehicles                               | 27,606,299.18                     | 6,062,478.51             | (5,268,790.00)          | -   | 28,399,987.69              |
| Work under construction                | 20,793,336.46                     | 163,453,306.27           | (126,793,789.89)        | -   | 57,452,852.84              |
| Supplies - lighting                    | 2,697,662.99                      | 1,702,458.29             | (2,273,046.18)          | -   | 2,127,075.10               |
| Other supplies                         | 115,321.73                        | 12,564,681.02            | (12,140,702.35)         | -   | 539,300.40                 |
| <b>Total</b>                           | <b>804,182,664.09</b>             | <b>417,368,137.01</b>    | <b>(219,506,322.42)</b> | <b>(46,361,524.60)</b>                                | <b>955,682,954.08</b>      |



CMO PUBLIC COMPANY LIMITED

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Unit : Baht

| Consolidated financial statements      |                          |                      |                        |                                      |                            |
|--|--------------------------|----------------------|------------------------|--------------------------------------|----------------------------|
|  | Movement during the year |                      |                        |                                      | As at<br>December 31, 2013 |
|  | As at<br>January 1, 2013 | Increase             | Decrease               | Reclassify to                        |                            |
|  |                          |                      |                        | Non-current Assets<br>Held for Sales |                            |
| <b>Accumulated depreciation</b>        |                          |                      |                        |                                      |                            |
| Buildings                              | 31,905,501.40            | 4,045,070.96         | (2,788,979.30)         | (7,921,277.51)                       | 25,240,315.55              |
| Building improvements                  | 7,416,147.17             | 302,438.39           | (352,459.51)           | (2,735,489.66)                       | 4,630,636.39               |
| Building and equipment on leased space | 27,761,190.09            | -                    | (27,761,190.09)        | -                                    | -                          |
| Operating equipment                    | 297,375,300.45           | 44,025,704.44        | (16,783,768.33)        | -                                    | 324,617,236.56             |
| Office equipment                       | 40,038,760.76            | 4,622,255.03         | (2,600,390.23)         | (10,480,708.52)                      | 31,579,917.04              |
| Furniture and fixtures                 | 1,612,998.97             | 396,997.49           | -                      | -                                    | 2,009,996.46               |
| Vehicles                               | 16,670,688.66            | 4,193,742.33         | (5,252,590.24)         | -                                    | 15,611,840.75              |
| <b>Total</b>                           | <b>422,780,587.50</b>    | <b>57,586,208.64</b> | <b>(55,539,377.70)</b> | <b>(21,137,475.69)</b>               | <b>403,689,942.75</b>      |
| <b>Allowance for impairment</b>        | <b>5,245,329.78</b>      | <b>-</b>             | <b>(5,006,020.07)</b>  | <b>-</b>                             | <b>239,309.71</b>          |
| <b>Net booked value</b>                | <b>376,156,746.81</b>    |                      |                        |                                      | <b>551,753,701.62</b>      |

Depreciations for the years ended December 31, 2013 and 2012, amounted to Baht 57.59 million and Baht 59.92 million, respectively, in the Company's consolidated statements of comprehensive income.

As at December 31, 2013 and 2012, the Group's equipment and vehicles amounting to Baht 268.63 million and Baht 269.09 million, respectively, are fully depreciated but still in use.

As at December 31, 2013, building in progress of a subsidiary include borrowing costs in the amount of Baht 0.07 million.

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



Unit : Baht

|  | Separate financial statements |                      |                        |                                      |                      |
|--|-------------------------------|----------------------|------------------------|--------------------------------------|----------------------|
|  | Movement during the year      |                      |                        |                                      |                      |
|  | As at                         | Reclassify to        |                        |                                      | As at                |
|  | January 1, 2013               | Increase             | Decrease               | Non-current Assets<br>Held for Sales | December 31, 2013    |
| <b>Cost</b>                            |                               |                      |                        |                                      |                      |
| Land                                   |                               |                      |                        |                                      |                      |
| - At cost                              | 17,224,998.06                 | -                    | (9,000,000.00)         | (7,834,998.06)                       | 390,000.00           |
| - Revaluation surplus                  | 1,520,062.94                  | -                    | -                      | (1,520,062.94)                       | -                    |
| At appraised value                     | 18,745,061.00                 | -                    | (9,000,000.00)         | (9,355,061.00)                       | 390,000.00           |
| Buildings                              | 24,229,212.94                 | -                    | (11,160,062.94)        | (13,069,150.00)                      | -                    |
| Building improvements                  | 3,140,520.66                  | -                    | (383,837.00)           | (2,756,683.66)                       | -                    |
| Building and equipment on leased space | 32,040,617.84                 | -                    | (32,040,617.84)        | -                                    | -                    |
| Operating equipment                    | 39,639,483.30                 | 3,864,117.33         | (846,960.00)           | -                                    | 42,656,640.63        |
| Office equipment                       | 14,313,349.04                 | 2,737,077.37         | (637,151.76)           | (10,358,085.84)                      | 6,055,188.81         |
| Vehicles                               | 9,745,854.50                  | 4,091,188.78         | (4,760,790.00)         | -                                    | 9,076,253.28         |
| Work under construction                | 2,925,058.00                  | 32,314,359.99        | (1,084,612.48)         | -                                    | 34,154,805.51        |
| <b>Total</b>                           | <b>144,779,157.28</b>         | <b>43,006,743.47</b> | <b>(59,914,032.02)</b> | <b>(35,538,980.50)</b>               | <b>92,332,888.23</b> |
| <b>Accumulated depreciation</b>        |                               |                      |                        |                                      |                      |
| Buildings                              | 7,566,965.61                  | 609,934.93           | (2,788,979.30)         | (5,387,921.24)                       | -                    |
| Building improvements                  | 2,998,621.53                  | 89,327.64            | (352,459.51)           | (2,735,489.66)                       | -                    |
| Building and equipment on leased space | 27,761,190.09                 | -                    | (27,761,190.09)        | -                                    | -                    |
| Operating equipment                    | 30,651,944.78                 | 3,580,957.62         | (323,712.14)           | -                                    | 33,909,190.26        |
| Office equipment                       | 12,750,474.23                 | 775,014.59           | (309,168.00)           | (10,111,553.90)                      | 3,104,766.92         |
| Vehicles                               | 7,149,283.54                  | 1,408,476.94         | (4,744,591.24)         | -                                    | 3,813,169.24         |
| <b>Total</b>                           | <b>88,878,479.78</b>          | <b>6,463,711.72</b>  | <b>(36,280,100.28)</b> | <b>(18,234,964.80)</b>               | <b>40,827,126.42</b> |
| <b>Allowance for impairment</b>        | <b>5,245,329.78</b>           | <b>-</b>             | <b>(5,006,020.07)</b>  | <b>-</b>                             | <b>239,309.71</b>    |
| <b>Net booked value</b>                | <b>50,655,347.72</b>          |                      |                        |                                      | <b>51,266,452.10</b> |

Depreciations for the years ended December 31, 2013 and 2012, amounted to Baht 6.46 million and Baht 19.64 million, respectively, in the Company's separate statements of comprehensive income.



During the year ended December 31, 2013, the Company reversed the allowance for impairment amounting of Baht 5.01 million due to the disposal of the impaired asset.

As at December 31, 2013 and 2012, the Company's equipment and vehicles amounting to Baht 31.67 million and Baht 43.75 million, respectively, are fully depreciated but still in use.

#### 11. DEFERRED TAX ASSETS AND LIABILITIES

Movements in deferred tax assets and liabilities during the periods were as follows:

|  | Unit: Thousands Baht              |   |                      |
|--|-----------------------------------|---|----------------------|
|  | Consolidated financial statements |   |                      |
|  | January 1,<br>2013                | Movement increase (decrease)<br>Statement of income | December 31,<br>2013 |
| Deferred tax assets :                      |                                   |   |                      |
| Allowance for doubtful accounts            | 4,989                             | -   | 811                  |
| Inventories                                | 331                               | (158)   | 173                  |
| Allowance for impairment                   | 1,049                             | (1,001)   | 48                   |
| Provision for employee benefit obligations | 688                               | 75  | 763                  |
| Reserve for share-based payment            | 68                                | 523   | 591                  |
| Depreciation                               | 5                                 | (5)   | -                    |
| Total deferred tax assets                  | <u>7,130</u>                      | <u>(1,377)</u>                                      | <u>5,753</u>         |
| Deferred tax liabilities :                 |                                   |   |                      |
| Surplus on land revaluation                | 15,537                            | -   | 15,537               |
| Depreciation                               | 1,222                             | 1,163   | 2,385                |
| Total deferred tax liabilities             | <u>16,759</u>                     | <u>1,163</u>  | <u>17,922</u>        |



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|  | Unit: Thousands Baht          |   |                      |
|--|-------------------------------|---|----------------------|
|  | Separate financial statements |   |                      |
|  | January 1,<br>2013            | Movement increase (decrease)<br>Statement of income | December 31,<br>2013 |
| Deferred tax assets :                      |                               |   |                      |
| Allowance for doubtful accounts            | 3,183                         | -   | 3,183                |
| Inventories                                | 158                           | (158)   | -                    |
| Allowance for impairment                   | 1,049                         | (1,001)   | 48                   |
| Provision for employee benefit obligations | 184                           | 20  | 204                  |
| Reserve for share-based payment            | 68                            | 523   | 591                  |
| Total deferred tax assets                  | 4,642                         | (616)   | 4,026                |
| Deferred tax liabilities :                 |                               |   |                      |
| Surplus on land revaluation                | 600                           | -   | 600                  |
| Total deferred tax liabilities             | 600                           | -   | 600                  |

Income tax expense for the year ended December 31, as follows:

|   | Unit: Thousands Baht              |         |                               |          |
|---|-----------------------------------|---------|-------------------------------|----------|
|   | Consolidated financial statements |         | Separate financial statements |          |
|   | 2013                              | 2012    | 2013                          | 2012     |
| Profit before income tax                    | 55,856                            | 109,880 | 37,771                        | 89,775   |
| Income tax rate                             | 20%                               | 23%     | 20%                           | 23%      |
| Current income tax expense as tax rate      | 11,172                            | 25,272  | 7,554                         | 20,648   |
| Non-deductible expenses by the Revenue Code | 2,083                             | 1,360   | 1,567                         | 502      |
| Double expenses by the Revenue Code         | (214)                             | (351)   | (28)                          | (135)    |
| Dividend income                             | -                                 | -       | (5,765)                       | (10,212) |
| Disposal of deferred tax assets             | 833                               | -       | -                             | -        |
| Unused tax loss                             | 984                               | 206     | -                             | -        |
| Inter-company transactions                  | 90                                | (1,945) | -                             | -        |
| Difference from income tax rate             | (168)                             | 138     | -                             | 25       |
| Income tax expense                          | 14,780                            | 24,680  | 3,328                         | 10,828   |
| The average effective tax rate              | 26%                               | 22%     | 9%                            | 12%      |

The Group used income tax rate of 20% for the calculation of corporate income tax for the year ended December 31, 2013 and used income tax rate of 23% for the calculation of corporate income tax for the year ended December 31, 2012 attributable to the Section 5 of the Royal Decree Issued Under the Revenue Code

Regarding Deduction in Tax Rate (No. 530) B.E. 2554. For Subsidiaries and Joint Ventures which have net profit and paid-up capital under the tax criteria, the progression rate are applied.

## 12. OTHER NON-CURRENT ASSETS

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

|                        | Unit: Baht                        |               |                               |               |
|------------------------|-----------------------------------|---------------|-------------------------------|---------------|
|                        | Consolidated financial statements |               | Separate financial statements |               |
|                        | 2013                              | 2012          | 2013                          | 2012          |
| Withholding income tax | 29,788,954.16                     | 31,019,382.93 | 24,808,428.59                 | 29,632,907.58 |
| Deposits               | 4,459,927.58                      | 4,321,090.89  | 3,761,773.46                  | 3,647,536.77  |
| Total                  | 34,248,881.74                     | 35,340,473.82 | 28,570,202.05                 | 33,280,444.35 |

## 13. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

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

|  | Unit: Baht                        |                |                               |               |
|--|-----------------------------------|----------------|-------------------------------|---------------|
|  | Consolidated financial statements |                | Separate financial statements |               |
|  | 2013                              | 2012           | 2013                          | 2012          |
| Bank overdrafts  | 45,101,275.83                     | 43,318,972.21  | 9,616,544.26                  | 19,103,372.82 |
| Promissory notes   | 190,320,000.00                    | 90,890,000.00  | 159,620,000.00                | 73,190,000.00 |
| Total bank overdrafts and short-term loans from financial institutions | 235,421,275.83                    | 134,208,972.21 | 169,236,544.26                | 92,293,372.82 |

As at December 31, 2013 and 2012, the Group had bank overdrafts and short-term loans facilities as follows:-

|   | Unit: Million Baht |      |
|---|--------------------|------|
|   | 2013               | 2012 |
| CMO Public Company Limited and subsidiaries | 320                | 295  |
| CMO Public Company Limited                  | 220                | 200  |

As at December 31, 2013 and 2012, bank overdrafts, short-term loans, and long-term loan from financial institutions, charged with interest rates between the market rate and MOR, are guaranteed by some of the Company's and subsidiaries' directors, by a mortgage of the Group's land and construction and by restricted deposits at bank.



#### 14. TRADE AND OTHER PAYABLES

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

|  | Unit: Baht                        |                       |                               |                      |
|--|-----------------------------------|-----------------------|-------------------------------|----------------------|
|  | Consolidated financial statements |                       | Separate financial statements |                      |
|  | 2013                              | 2012                  | 2013                          | 2012                 |
| Trade payables                                 |                                   |                       |                               |                      |
| Trade payables - related parties               | 1,000,000.00                      | -                     | 21,650,302.10                 | 11,099,846.37        |
| Trade payables - others                        | 60,774,723.80                     | 79,421,142.88         | 42,079,264.82                 | 57,198,309.96        |
| <b>Total trade payables</b>                    | <b>61,774,723.80</b>              | <b>79,421,142.88</b>  | <b>63,729,566.92</b>          | <b>68,298,156.33</b> |
| Other payables                                 |                                   |                       |                               |                      |
| Other payables                                 | 2,651,919.34                      | -                     | 1,406,767.75                  | -                    |
| Accrued expenses                               | 21,264,078.88                     | 23,247,180.74         | 1,546,862.83                  | 2,927,536.57         |
| Accrued interest expense                       | 7,983.45                          | 18,678.46             | -                             | -                    |
| Accrued withholding tax                        | 6,758,594.66                      | 3,355,908.34          | 4,462,184.64                  | 1,477,581.61         |
| Accounts payable for purchases of fixed assets | 3,838,462.96                      | 283,893.00            | 2,023,812.51                  | 283,893.00           |
| Unearned income received from customers        | 5,931,404.00                      | 9,296,447.90          | 4,211,618.96                  | 3,354,649.90         |
| Deposits                                       | 1,050,000.00                      | 4,000,000.00          | -                             | 4,000,000.00         |
| Revenue Department payable                     | 479,256.37                        | 2,679,959.50          | 292,535.98                    | 1,159,713.60         |
| Undue output VAT                               | 15,296,164.72                     | 12,960,770.92         | 7,668,265.74                  | 7,209,505.96         |
| Others   | 8,765,553.48                      | 7,607,648.34          | 1,296,948.11                  | 5,080,747.55         |
| <b>Total other payables</b>                    | <b>66,043,417.86</b>              | <b>63,450,487.20</b>  | <b>22,908,996.52</b>          | <b>25,493,628.19</b> |
| <b>Total trade and other payables</b>          | <b>127,818,141.66</b>             | <b>142,871,630.08</b> | <b>86,638,563.44</b>          | <b>93,791,784.52</b> |

On December 19, 2013, a Subsidiary entered into an agreement to sell land and building with a third party in the amount to Baht 10.50 million, (Net book value of Baht 7.92 million as at December 31, 2013). Under the agreement, the Company had received a deposit of Baht 1.05 million. The transfer of ownership on land is agreed to be made within March 3, 2014.

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

Liabilities under financial lease agreements as at December 31, consisted of:

Unit: Baht

|  | Consolidated financial statements |                      | Separate financial statements |                     |
|--|-----------------------------------|----------------------|-------------------------------|---------------------|
|  | 2013                              | 2012                 | 2013                          | 2012                |
| Due within 1 year  |                                   |                      |                               |                     |
| Minimum payments   | 42,577,003.15                     | 29,236,460.43        | 1,371,083.16                  | 781,816.80          |
| Deferred interest  | (4,346,407.63)                    | (3,207,368.41)       | (160,242.87)                  | (115,095.42)        |
| Present value of minimum payment                               | <u>38,230,595.52</u>              | <u>26,029,092.02</u> | <u>1,210,840.29</u>           | <u>666,721.38</u>   |
| Due over 1 year not exceeding 5 years                          |                                   |                      |                               |                     |
| Minimum payments   | 43,379,055.21                     | 30,882,353.38        | 2,089,598.24                  | 1,436,885.00        |
| Deferred interest  | (2,366,010.10)                    | (1,846,522.25)       | (126,315.20)                  | (134,157.87)        |
| Present value of minimum payment                               | <u>41,013,045.11</u>              | <u>29,035,831.13</u> | <u>1,963,283.04</u>           | <u>1,302,727.13</u> |
| Net book value of equipment<br>under finance leases agreements | <u>117,244,054.81</u>             | <u>75,951,798.29</u> | <u>5,158,758.66</u>           | <u>2,570,801.46</u> |

The Group entered into lease agreements with a bank and certain companies for operating equipment and vehicles. The leases agreements have the terms of one to five years and bear interest rates between 4.29% to 10.86% per annum.

**16. LONG-TERM LOANS FROM FINANCIAL INSTITUTION - NET**

Long- term loans from financial institution as at December 31, consisted of:

Unit: Baht

|                            | Consolidated financial statements |                     | Separate financial statements |                     |
|----------------------------|-----------------------------------|---------------------|-------------------------------|---------------------|
|                            | 2013                              | 2012                | 2013                          | 2012                |
| Long-term loans from banks | 104,696,689.92                    | 12,515,951.07       | -                             | 6,638,035.74        |
| Less current portion       | (18,104,000.00)                   | (6,439,915.33)      | -                             | (2,676,000.00)      |
| Long-term loans - net      | <u>86,592,689.92</u>              | <u>6,076,035.74</u> | <u>-</u>                      | <u>3,962,035.74</u> |

On August 15, 2013, a subsidiary obtained a long-term loan from a local bank with the credit line of Baht 25 million. For the first two years, the loan bears the interest at the rate of MLR-1 per annum and after two years the loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 84 equal monthly installments of Baht 0.38 million each starting in August 2014.



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On August 5, 2013, a subsidiary obtained a long-term loan from a local bank with the credit line of Baht 12 million. For the first two years, the loan bears the interest at the rate of MLR-1 per annum and after two years the loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 72 equal monthly installments of Baht 0.17 million each starting in August 2014.

On December 14, 2012, a subsidiary obtained a long-term loan from a local bank with the credit line of Baht 80 million. For the first two years, the loan bears the interest at the rate of MLR-1 per annum and after two years the loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 77 equal monthly installments of Baht 1.03 million each starting in August 2014.

On December 14, 2013, a subsidiary obtained a long-term loan from a local bank with the credit line of Baht 1.5 million. The loan bears the interest at the rate of MLR-1 per annum. The repayments of the principal will be made within 24 equal monthly installments of Baht 0.0625 million each starting in February 2013.

On March 25, 2009, a subsidiary obtained long-term loan from a local bank totaling of Baht 8 million. The loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 60 equal monthly installments of Baht 135,000 each starting in April 2009.

On November 7, 2007, a subsidiary obtained long-term loan from a local bank totaling of Baht 14 million. The loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 84 equal monthly installments of Baht 167,000 each starting in December 2007.

The loans above are guaranteed by a mortgage of the subsidiary's land and construction and guaranteed by the Company and a subsidiary.

On April 26, 2013, a subsidiary obtained a long-term loan from a local bank with the credit line of Baht 15 million. The loan bears the interest at the rate of MLR-1.25 per annum. The repayments of the principal will be made within 24 equal monthly installments of Baht 0.675 million each starting in May 2013. The loan is pledge by fixed account and guaranteed by the Company.

#### **17. SHORT-TERM LOAN FROM THIRD PARTY**

On August 7, 2012, a subsidiary issued the promissory notes to third party of Baht 7 million. The promissory notes bear interest rate of 7.30% per annum and have 6 months maturity term.

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## 18. EMPLOYEE BENEFITS OBLIGATIONS

The Group made defined benefit plan in accordance with severance payment under the labor law which entitled retired employee within work service period in various rates, such as more than 10 years to receive severance payment not less than 300 days or 10 months of the last salary.

Movements of the present value of employee benefits obligation for the year ended December 31, are as follows:

|  | Unit: Baht                        |              |                               |            |
|--|-----------------------------------|--------------|-------------------------------|------------|
|  | Consolidated financial statements |              | Separate financial statements |            |
|  | 2013                              | 2012         | 2013                          | 2012       |
| <u>Post-employment benefit plan</u>            |                                   |              |                               |            |
| Defined benefit obligations beginning of years | 3,690,922.78                      | 3,257,048.83 | 919,446.78                    | 825,389.50 |
| Current service costs                          | 325,254.00                        | 277,373.51   | 57,575.00                     | 55,138.00  |
| Cost of interest                               | 177,904.65                        | 156,500.44   | 43,174.65                     | 38,919.28  |
| Defined benefit obligations end of years       | 4,194,081.43                      | 3,690,922.78 | 1,020,196.43                  | 919,446.78 |

Employee benefit expenses in the statements of comprehensive income for the year ended December 31, consisted of:

|                                  | Unit: Baht                        |            |                               |           |
|----------------------------------|-----------------------------------|------------|-------------------------------|-----------|
|                                  | Consolidated financial statements |            | Separate financial statements |           |
|                                  | 2013                              | 2012       | 2013                          | 2012      |
| Current service cost             | 325,254.00                        | 277,373.51 | 57,575.00                     | 55,138.00 |
| Cost of interest                 | 177,904.65                        | 156,500.44 | 43,174.65                     | 38,919.28 |
| Total employee benefits expenses | 503,158.65                        | 433,873.95 | 100,749.65                    | 94,057.28 |

Employee benefit expenses for years ended December 31, as shown in the statements of comprehensive income are as follows:

|                                  | Unit: Baht                        |            |                               |           |
|----------------------------------|-----------------------------------|------------|-------------------------------|-----------|
|                                  | Consolidated financial statements |            | Separate financial statements |           |
|                                  | 2013                              | 2012       | 2013                          | 2012      |
| Administrative expenses          | 503,158.65                        | 433,873.95 | 100,749.65                    | 94,057.28 |
| Total employee benefits expenses | 503,158.65                        | 433,873.95 | 100,749.65                    | 94,057.28 |

Principal actuarial assumptions as at December 31, 2013 and 2012 (expressed as weighted averages) are as follows:

|                         | (Percentage/Year)                    |                                  |
|-------------------------|--------------------------------------|----------------------------------|
|                         | Consolidated<br>financial statements | Separate<br>financial statements |
| Discount rate           | 4.42                                 | 4.42                             |
| Future salary increases | 6.93                                 | 6.93                             |
| Mortality rate          | As Mortality Table 1997              | As Mortality Table 1997          |

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

#### 19. SHARE CAPITAL

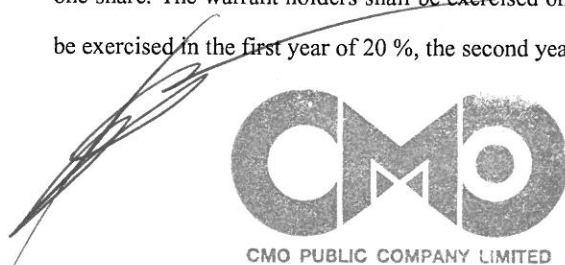
The resolutions of Extraordinary General Shareholders' Meeting No. 1/2012 held on October 25, 2012, the shareholders approved the increase of registered capital from the existing registered capital of Baht 150.00 million to Baht 222.50 million by issuing 72,500,000 new ordinary shares at a par value of Baht 1 per share to reserve for the payment of stock dividend amount of 37.50 million shares and to reserve for the exercise of warrants allocated to existing shareholders of 30 million shares and to reserve for the exercise of ESOP-Warrants of 5.00 million shares. The Company registered the increase in share capital with the Ministry of Commerce on November 6, 2012.

On November 12, 2012, the Company issued the warrants to purchase the Company's ordinary shares offering to the existing shareholders at a ratio of 5 new ordinary shares to 1 unit of warrant of 30.00 million units with the price of Baht 0.00 per unit, the exercise price at Baht 2.00, warrant term is within 3 years at the rate of one warrant for one share. The warrant holders shall be exercised on April 1, 2013, October 1, 2013, April 1, 2014, October 1, 2014, April 1, 2015, and the last exercise date is November 11, 2015

As at December 31, 2013, unexercised warrants are 26,999,600 units or equivalent to 26,999,600 shares.

#### 20. RESERVE FOR SHARE-BASED PAYMENTS

On November 12, 2012, the Company issued the warrants to purchase the Company's ordinary shares offering to directors and employees of the Company (ESOP) of 5.00 million units with the price of Baht 0.00 per unit, the exercise price at Baht 1.80, warrant term is within 3 years at the rate of one warrant for one share. The warrant holders shall be exercised on the 1st of February and September of each year and to be exercised in the first year of 20 %, the second year of 30 % and the third year of, 50 %.



On February 1, 2013, and on September 1, 2013, the employees exercised warrants totaling of 219,500 units and 40,200 units, respectively, resulting the outstanding warrants unexercised as of December 31, 2013 of 4,740,300 units.

**21. 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.

**22. DIVIDEND PAYMENT**

Pursuant to annual meeting of shareholders held on April 25, 2013, the shareholders authorized the payment of a dividend from the profit for the year 2012 to shareholders of Baht 0.10 per share, amounting to Baht 19.07 million to eligible shareholders. The dividend was paid on May 7, 2013.

The resolutions of Extraordinary Shareholders' Meeting No. 1/2012 held on October 25, 2012, the shareholders approved to pay cash dividend for the interim period of 2012 at the rate of Baht 0.0278 per share totaling of Baht 4.17 million, and to pay a stock dividend of 37.50 million shares with a par value of Baht 1 each at the ratio of 4 current shares per 1 dividend share totaling of Baht 37.50 million.

**23. EXPENSES BY NATURE**

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

|                                      | (Unit : million Baht)             |         |                               |         |
|--------------------------------------|-----------------------------------|---------|-------------------------------|---------|
|                                      | Consolidated financial statements |         | Separate financial statements |         |
|                                      | 2013                              | 2012    | 2013                          | 2012    |
| Cost of service                      | 681.42                            | 826.37  | 433.82                        | 597.87  |
| Employee benefits                    | 231.93                            | 231.61  | 120.57                        | 111.20  |
| Depreciation                         | 57.77                             | 61.05   | 6.50                          | 19.64   |
| Loss on assets impairment (reversal) | 5.06                              | (12.95) | 5.06                          | (12.95) |
| Advertising fee                      | 6.51                              | 7.39    | 2.11                          | 3.93    |
| Management compensation              | 43.88                             | 48.80   | 24.71                         | 27.67   |



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## 24. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended December 31, 2013 and 2012 were calculated as follows:

|  | Unit : Baht                       |             |                               |             |
|--|-----------------------------------|-------------|-------------------------------|-------------|
|  | Consolidated financial statements |             | Separate financial statements |             |
|  | 2013                              | 2012        | 2013                          | 2012        |
| Net profit attributable to shareholders of the parent (Baht)                     | 33,263,732                        | 77,733,818  | 34,443,003                    | 78,946,561  |
| Number of ordinary share outstanding at beginning of years                       | 187,494,835                       | 150,000,000 | 187,494,835                   | 150,000,000 |
| Effect from stock dividend   | -                                 | 37,494,835  | -                             | 37,494,835  |
| Effect of conversion warrants to shares capital                                  | 2,252,355                         | -           | 2,252,355                     | -           |
| Effect of conversion warrants to ESOP  | 213,583                           | -           | 213,583                       | -           |
| Weighted average number of ordinary shares outstanding during the years          | 189,960,773                       | 187,494,835 | 189,960,773                   | 187,494,835 |
| Basic earnings per share (Baht)  | 0.18                              | 0.41        | 0.18                          | 0.42        |
| Number of ordinary shares outstanding (basic)                                    | 189,960,773                       | 187,494,835 | 189,960,773                   | 187,494,835 |
| Effect of warrants to be exercised   |                                   |             |                               |             |
| Allocated to the existing shareholders   | 6,592,998                         | 1,543,673   | 6,592,998                     | 1,543,673   |
| Allocated to directors and employees   | 1,515,805                         | 298,674     | 1,515,805                     | 298,674     |
| Weighted average number of ordinary shares outstanding during the year (diluted) | 198,069,576                       | 189,337,182 | 198,069,576                   | 189,337,182 |
| Diluted earnings per share (Baht)  | 0.17                              | 0.41        | 0.17                          | 0.42        |

## 25. FINANCIAL INFORMATION BY SEGMENT

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



For the year ended December 31, 2013

Unit : Thousands Baht

| Consolidated Financial Statements              |                |                     |                        |                           |  |                 |                  |
|--|----------------|---------------------|------------------------|---------------------------|--|-----------------|------------------|
|  | Organizer      | Rental<br>Equipment | Production<br>of Media | Online Media<br>Marketing | Installation<br>supplies and<br>Electrical | Eliminated      | Total            |
| Revenues                                       |                |                     |                        |                           |  |                 |                  |
| Marketing and Promotion Events                 | 340,500        |                     |                        |                           |  |                 |                  |
| Trade Shows and Exhibitions                    | 210,607        |                     |                        |                           |  |                 |                  |
| Public Events                                  | 67,601         |                     |                        |                           |  |                 |                  |
| Professional Exhibition Organizer              | 23,051         |                     |                        |                           |  |                 |                  |
| <b>Total</b>                                   | <b>641,759</b> | <b>353,157</b>      | <b>36,552</b>          | <b>15,793</b>             | <b>136,031</b>                             | <b>(87,958)</b> | <b>1,095,334</b> |
| Cost of services                               |                |                     |                        |                           |  |                 | (847,943)        |
| Gross profit                                   |                |                     |                        |                           |  |                 | 247,391          |
| Other incomes                                  |                |                     |                        |                           |  |                 | 8,201            |
| Selling expenses                               |                |                     |                        |                           |  |                 | (12,970)         |
| Administrative expenses                        |                |                     |                        |                           |  |                 | (168,253)        |
| Finance costs                                  |                |                     |                        |                           |  |                 | (18,513)         |
| Loss before income tax expense                 |                |                     |                        |                           |  |                 | 55,856           |
| Tax expense                                    |                |                     |                        |                           |  |                 | (14,780)         |
| Profit for the year                            |                |                     |                        |                           |  |                 | 41,076           |
| Other comprehensive income :                   |                |                     |                        |                           |  |                 |                  |
| Surplus on land revaluation                    |                |                     |                        |                           |  |                 | -                |
| <b>Total comprehensive income for the year</b> | <b>29,522</b>  | <b>25,658</b>       | <b>2,131</b>           | <b>1,077</b>              | <b>11,964</b>                              | <b>(29,276)</b> | <b>41,076</b>    |
| Profit (loss) attributable to                  |                |                     |                        |                           |  |                 |                  |
| Equity holders of the Company                  |                |                     |                        |                           |  |                 | 33,264           |
| Non-controlling interests                      |                |                     |                        |                           |  |                 | 7,812            |
|  |                |                     |                        |                           |  |                 | <b>41,076</b>    |
| <b>As at December 31, 2013</b>                 |                |                     |                        |                           |  |                 |                  |
| Trade and other receivables - net              | 206,808        | 93,286              | 5,093                  | 5,750                     | 13,352                                     | (36,615)        | 287,674          |
| Property plant and equipment - net             | 51,266         | 419,843             | 19,407                 | 980                       | 12,055                                     | (4,219)         | 499,332          |
| Others   | 312,721        | 70,985              | 14,921                 | 1,007                     | 9,439                                      | (230,280)       | 178,793          |
| <b>Total Assets</b>                            | <b>570,795</b> | <b>584,114</b>      | <b>39,421</b>          | <b>7,737</b>              | <b>34,846</b>                              |                 | <b>965,799</b>   |

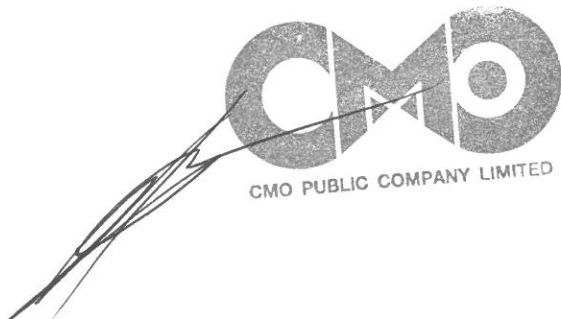


CMIO PUBLIC COMPANY LIMITED

For the year ended December 31, 2012 (Restated)

Unit : Thousands Baht

|  | Consolidated Financial Statements |                |               |              |                |                  | Total            |
|--|-----------------------------------|----------------|---------------|--------------|----------------|------------------|------------------|
|  | Organizer                         | Rental         | Production    | Online Media | Installation   |                  |                  |
|  |                                   | Equipment      | of Media      | Marketing    | supplies and   | Electrical       |                  |
| Revenues                                       |                                   |                |               |              |                |                  |                  |
| Marketing and Promotion Events                 | 267,767                           |                |               |              |                |                  |                  |
| Trade Shows and Exhibitions                    | 409,398                           |                |               |              |                |                  |                  |
| Public Events                                  | 112,757                           |                |               |              |                |                  |                  |
| MICE   | 651                               |                |               |              |                |                  |                  |
| Professional Exhibition Organizer              | 22,231                            |                |               |              |                |                  |                  |
| Documentary                                    | 6,542                             |                |               |              |                |                  |                  |
| <b>Total</b>                                   | <b>819,346</b>                    | <b>317,584</b> | <b>40,417</b> | <b>7,066</b> | <b>163,805</b> | <b>(110,939)</b> | <b>1,237,279</b> |
| Cost of services                               |                                   |                |               |              |                |                  | (968,402)        |
| Gross profit                                   |                                   |                |               |              |                |                  | 268,877          |
| Other incomes                                  |                                   |                |               |              |                |                  | 5,952            |
| Selling expenses                               |                                   |                |               |              |                |                  | (16,940)         |
| Administrative expenses                        |                                   |                |               |              |                |                  | (136,573)        |
| Finance costs                                  |                                   |                |               |              |                |                  | (11,436)         |
| Loss before income tax expense                 |                                   |                |               |              |                |                  | 109,880          |
| Tax expense                                    |                                   |                |               |              |                |                  | (24,680)         |
| Profit for the year                            |                                   |                |               |              |                |                  | 85,200           |
| Other comprehensive income :                   |                                   |                |               |              |                |                  | -                |
| <b>Total comprehensive income for the year</b> | <b>78,051</b>                     | <b>26,215</b>  | <b>4,298</b>  | <b>1,080</b> | <b>12,590</b>  | <b>(37,034)</b>  | <b>85,200</b>    |
| Profit attributable to                         |                                   |                |               |              |                |                  |                  |
| Equity holders of the Company                  |                                   |                |               |              |                |                  | 77,734           |
| Non-controlling interests                      |                                   |                |               |              |                |                  | 7,466            |
|  |                                   |                |               |              |                |                  | <b>85,200</b>    |
| <b>As at December 31, 2012 (Restated)</b>      |                                   |                |               |              |                |                  |                  |
| Trade and other receivables - net              | 195,296                           | 56,859         | 7,915         | 3,414        | 18,903         | (24,793)         | 257,594          |
| Property plant and equipment - net             | 50,655                            | 301,094        | 11,318        | 1,246        | 13,249         | (4,219)          | 373,343          |
| Others   | 233,487                           | 25,725         | 9,470         | 907          | 6,413          | (165,353)        | 110,649          |
| <b>Total Assets</b>                            | <b>479,438</b>                    | <b>383,678</b> | <b>28,703</b> | <b>5,567</b> | <b>38,565</b>  |                  | <b>741,586</b>   |



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## 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 is the risk that future movements in market interest rates 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 rate, the Company and its subsidiaries believe that there will be no material impact on the Company and its subsidiaries' financial statements.

### Exchange rate risk

The Company has no transactions in foreign currencies, therefore, there is no exchange rate risk.

### Credit Risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable including the related company receivables. However, due to the large number of entities comprising the Company's and its subsidiaries customer base, the Group does not anticipate material losses from their debt collections.

### Fair Value

As the majority of financial assets and liabilities are short-term and long-term loans bear floating interest rate, 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.

## 27. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2013 and 2012, the Group has contingent liabilities in relation to the letters of guarantee issued by banks amounting to approximately Baht 94 million and Baht 64 million, respectively.

As at December 31, 2013, the Group and the Company had a commitment under the construction contracts amounting to approximately Baht 5.45 million and Baht 55.88 million, respectively.

## 28. 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 monthly at the rate of 3% 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 year ended December 31, 2013 and 2012 amounted to approximately Baht 4.33 million and Baht 3.59 million respectively, in the consolidated financial statement and amounted to Baht 2.45 million and Baht 2.03 million respectively, in the separated financial statement.

## 29. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain assurance of shareholder, investor, creditor and 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.

## 30. RECLASSIFICATION OF ACCOUNTS

The Company has reclassified certain accounts in the statements of financial position as at December 31, 2012 and January 1, 2012, and the statement of comprehensive income for the year ended December 31, 2012 to conform to the presentation of the financial statements of current year.

|  | Unit: Thousand                    |                  |                        |                         |                  |                        |
|--|-----------------------------------|------------------|------------------------|-------------------------|------------------|------------------------|
|  | Consolidated financial statements |                  |                        |                         |                  |                        |
|  | December 31, 2012                 |                  |                        | January 1, 2012         |                  |                        |
|  | Before reclassification           | Reclassification | After reclassification | Before reclassification | Reclassification | After reclassification |
| <b>Statement of financial position</b> |                                   |                  |                        |                         |                  |                        |
| Work in process - net                  | 11,003                            | (2,813)          | 8,190                  | 100,261                 | (2,713)          | 97,548                 |
| Property, plant and equipment - net    | 373,344                           | 2,813            | 376,157                | 320,228                 | 2,713            | 322,941                |
| Trade and other payables               | 143,121                           | (249)            | 142,872                | 194,244                 | -                | 194,244                |
| Employee benefit obligations           | 3,442                             | 249              | 3,691                  | 3,093                   | -                | 3,093                  |

|  | Unit: Thousand                    |                  |                        |
|--|-----------------------------------|------------------|------------------------|
|  | Consolidated financial statements |                  |                        |
|  | December 31, 2012                 |                  |                        |
|  | Before reclassification           | Reclassification | After reclassification |
| <b>Statement of comprehensive income</b> |                                   |                  |                        |
| Cost of services                         | 695,106                           | (12,945)         | 682,161                |
| Administrative expenses                  | 55,185                            | 12,945           | 68,130                 |



**31. EVENTS AFTER THE REPORTING PERIOD**

Pursuant to the board of directors meeting 2/2014 held on February 26, 2014, the board approved the payment of a dividend from the operation for the year 2013 of Baht 0.10 per share, to the shareholders whose name appear in the share register dated May 9, 2014. The dividend will be paid on May 27, 2014.

**32. APPROVAL OF FINANCIAL STATEMENT**

These financial statements have been approved by the Board of Directors to be issued on February 26, 2014.

