

FINANCIAL STATEMENTS AND AUDITOR'S REPORT  
CMO PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

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## Independent Auditor's Report

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

### Opinion

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

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

### Basis for Opinion

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



## **Emphasis of Matters**

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

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

## **Key Audit Matters**

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

### ***Loan, and the compliance with the loan covenenats***

#### ***Risks***

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

#### ***Auditor's Response***

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



### *Net Realizable Value of trade receivables*

#### *Risks*

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

#### *Auditor's Response*

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

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

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

#### **Other Information**

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

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

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





When I read the Annual Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Yuttapong Chuamuangpan)

Certified Public Accountant

Registration Number 9445

ANS Audit Co., Ltd.

Bangkok, February 26, 2018

CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2017

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



CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2017

Unit: Baht

Notes	Consolidated financial statements			Separate financial statements		
	December 31, 2017	December 31, 2016	January 1, 2016	December 31, 2017	December 31, 2016	January 1, 2016
		"RESTATED"	"RESTATED"		"RESTATED"	"RESTATED"
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Current liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	16	296,510,976.38	237,475,810.23	273,347,591.37	191,710,575.40	205,799,835.94
Trade and other payables	5, 17	202,866,042.66	204,677,863.21	193,914,813.97	105,007,103.20	129,482,793.44
Current portion of liabilities under financial lease agreements	18	14,873,984.91	21,771,202.81	26,586,526.55	294,184.07	242,965.74
Current portion of long-term loans from financial institutions	19	35,497,270.20	58,360,247.80	49,164,511.99	14,260,626.20	20,946,309.42
Short-term loan from related parties	5	-	-	-	3,000,000.00	-
Dividend payables		11,470,985.75	11,740,064.97	-	-	-
Income tax payables		-	-	252,276.36	-	-
<b>Total current liabilities</b>		<b>561,219,259.90</b>	<b>534,025,189.02</b>	<b>543,265,720.24</b>	<b>314,272,488.87</b>	<b>329,846,099.24</b>
<b>Non-current liabilities</b>						
Intercompany profit in the outstanding equipment of joint ventures	10	24,582,399.55	31,495,975.58	6,997,814.93	-	-
Liabilities under financial lease agreements - net	18	18,619,207.03	19,934,947.81	17,501,801.17	730,495.31	595,206.08
Long-term loans from financial institutions - net	19	55,087,598.24	90,340,401.76	135,164,249.65	22,437,765.24	36,453,924.76
Deferred tax liabilities - net	14, 31	26,255,707.99	25,543,731.54	28,183,886.00	-	-
Provision for long-term employee benefits	20, 30	27,071,057.00	24,397,404.00	21,554,544.00	7,851,248.00	7,239,108.00
<b>Total non-current liabilities</b>		<b>151,615,969.81</b>	<b>191,712,460.69</b>	<b>209,402,295.75</b>	<b>31,019,508.55</b>	<b>44,288,238.84</b>
<b>Total liabilities</b>		<b>712,835,229.71</b>	<b>725,737,649.71</b>	<b>752,668,015.99</b>	<b>345,291,997.42</b>	<b>374,134,338.08</b>
<b>Shareholders' equity</b>						
Share capital	21					
Authorized share capital						
Common shares 255,462,733 shares at Baht 1 each		255,462,733.00	255,462,733.00		255,462,733.00	255,462,733.00
Common shares 222,500,000 shares at Baht 1 each				222,500,000.00		222,500,000.00
Issued and fully paid-up share capital						
Common shares 255,462,733 shares at Baht 1 each		255,462,733.00	255,462,733.00		255,462,733.00	255,462,733.00
Common shares 194,333,185 shares at Baht 1 each				194,333,185.00		194,333,185.00
Premiums on share capital		93,569,476.36	93,569,476.36	55,779,669.16	93,569,476.36	93,569,476.36
Discount on investments		4,907,142.73	4,907,142.73	4,907,142.73	-	-
Changes in the proportion held by non-controlling interests		303,380.88	303,380.88	-	-	-
Retained earnings (deficit)						
Appropriated						
Appropriated to legal reserve	22	13,504,539.40	10,869,715.71	8,748,059.30	13,504,539.40	10,869,715.71
Unappropriated	30	(42,356,048.91)	(41,428,159.28)	27,018,937.25	25,622,999.08	10,048,751.48
Other components of shareholders' equity	10	129,490,042.79	113,381,693.40	111,769,514.68	-	-
<b>Total shareholders' equity of the company</b>		<b>454,881,266.25</b>	<b>437,065,982.80</b>	<b>402,556,508.12</b>	<b>388,159,747.84</b>	<b>369,950,676.55</b>
Non-controlling interests	11	12,619,121.77	17,742,805.11	23,551,556.70	-	-
<b>Total shareholders' equity</b>		<b>467,500,388.02</b>	<b>454,808,787.91</b>	<b>426,108,064.82</b>	<b>388,159,747.84</b>	<b>369,950,676.55</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,180,335,617.73</b>	<b>1,180,546,437.62</b>	<b>1,178,776,080.81</b>	<b>733,451,745.26</b>	<b>744,085,014.63</b>





CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2017

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



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

Unit: Baht											
Consolidated financial statements											
Equity attributable to equity holders of the Company											
Notes	Issued and paid-up share capital	Premiums on share capital	Discounts on investments	Changes in the proportion held by non-controlling interests	Retained earnings (deficit)		Other components of shareholders' equity			Total	
					Appropriated to legal reserve	Unappropriated	Surplus on land revaluation	Gain on changes of proportion in investment in joint shareholders' equity	Total other components of equity holders of the Company		
						"RESTATED"				"RESTATED"	
30	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	10,869,715.71	(24,746,897.35)	113,381,693.40	-	113,381,693.40	453,747,244.73	472,428,641.11
	-	-	-	-	-	(16,681,261.93)	-	-	-	(16,681,261.93)	(17,619,853.20)
	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	10,869,715.71	(41,428,159.28)	113,381,693.40	-	113,381,693.40	437,065,982.80	454,808,787.91
22	-	-	-	-	2,634,823.69	(2,634,823.69)	-	-	-	-	-
23	-	-	-	-	-	(34,487,403.33)	-	-	-	(34,487,403.33)	(44,898,471.44)
11	-	-	-	-	-	-	-	-	-	-	300.00
	-	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-	(2,092,338.10)
	-	-	-	-	-	36,194,337.39	-	16,108,349.39	16,108,349.39	52,302,686.78	59,682,109.65
	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	13,504,539.40	(42,356,048.91)	113,381,693.40	16,108,349.39	129,490,042.79	454,881,266.25	467,500,388.02
	194,333,185.00	55,779,669.16	4,907,142.73	-	8,748,059.30	41,802,659.21	111,769,514.68	-	111,769,514.68	417,340,230.08	441,638,278.42
30	-	-	-	-	-	(14,783,721.96)	-	-	-	(14,783,721.96)	(15,530,213.60)
	194,333,185.00	55,779,669.16	4,907,142.73	-	8,748,059.30	27,018,937.25	111,769,514.68	-	111,769,514.68	402,556,508.12	426,108,064.82
21	61,129,548.00	39,734,206.40	-	-	-	-	-	-	-	100,863,754.40	-
	-	(1,944,399.20)	-	-	-	-	-	-	-	(1,944,399.20)	(1,944,399.20)
22	-	-	-	-	2,121,656.41	(2,121,656.41)	-	-	-	-	-
23	-	-	-	-	-	(22,967,570.97)	-	-	-	(22,967,570.97)	(42,507,851.94)
	-	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	303,380.88	-	-	-	-	303,380.88	300,000.00
11	-	-	-	-	-	-	-	-	-	-	(851.63)
	-	-	-	-	-	(43,357,869.15)	1,612,178.72	-	1,612,178.72	(41,745,690.43)	(28,009,928.54)
	255,462,733.00	93,569,476.36	4,907,142.73	303,380.88	10,869,715.71	(41,428,159.28)	113,381,693.40	-	113,381,693.40	437,065,982.80	454,808,787.91



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

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

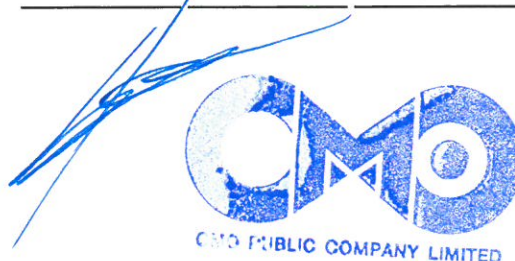


The accompanying notes are an integral part of the financial statements.



**CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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

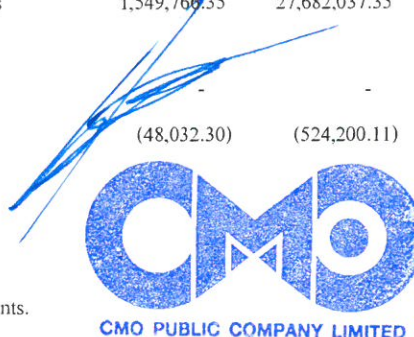


CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2017

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		"RESTATED"		"RESTATED"
<b>Cash Flows from Investing Activities:</b>				
(Increase) decrease in restricted deposits at bank	5,139,286.37	(275,333.02)	(7,059.74)	(208,139.59)
Cash received from short-term loans to related parties	-	20,000,000.00	24,200,000.00	78,900,000.00
Cash payment for short-term loans to related parties	-	(20,000,000.00)	(35,600,000.00)	(111,600,000.00)
Cash payment for long-term loans to related parties	(35,580,000.00)	-	(35,580,000.00)	-
Cash received from sales investment in subsidiary	-	4,178,306.44	1,396,174.46	300,000.00
Cash payment for investment in subsidiary	-	-	(9,999,700.00)	-
Cash payment for investment in joint ventures	-	(46,249,850.00)	-	(46,249,850.00)
Dividend income from investments	-	-	13,219,906.67	39,599,784.00
Purchase of fixed assets	(52,488,303.49)	(43,268,152.65)	(801,070.42)	(4,162,609.90)
Purchase of intangible assets	(1,820,000.00)	-	(1,820,000.00)	-
Cash received from sales of fixed assets and intangible assets	24,195,133.93	8,631,523.25	12,778,791.76	748,000.00
<b>Net cash used in investing activities</b>	<b>(60,553,883.19)</b>	<b>(76,983,505.98)</b>	<b>(32,212,957.27)</b>	<b>(42,672,815.49)</b>
<b>Cash Flows from Financing Activities:</b>				
Increase (decrease) in bank overdraft and short-term loans from financial institutions - net	59,035,166.15	(35,871,781.14)	16,645,067.89	(30,734,328.43)
Cash payments for financial lease agreements	(9,762,725.03)	(30,064,214.45)	(263,492.44)	(731,134.90)
Cash received from short-term loans to related parties	13,000,000.00	-	20,000,000.00	9,000,000.00
Cash payment to short-term loan from related parties	(13,000,000.00)	-	(17,000,000.00)	(21,000,000.00)
Cash received from long-term loan from financial institutions	-	20,000,000.00	-	20,000,000.00
Cash payment of long-term loans from financial institutions	(58,115,781.12)	(55,628,112.08)	(20,701,842.74)	(17,298,400.82)
Dividend paid	(45,167,550.65)	(30,767,786.97)	(34,487,403.32)	(22,967,570.97)
Cash received from share capital	-	98,919,355.20	-	98,919,355.20
Changes in the proportion held by non-controlling interests	300.00	300,000.00	-	-
<b>Net cash from (used in) financing activities</b>	<b>(54,010,590.65)</b>	<b>(33,112,539.44)</b>	<b>(35,807,670.61)</b>	<b>35,187,920.08</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,300,783.71</b>	<b>(7,137,213.93)</b>	<b>(1,336,738.90)</b>	<b>(3,802,350.30)</b>
<b>Decrease in cash from sales of investment in subsidiaries</b>	<b>(2,031,097.71)</b>	<b>(5,329,732.95)</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents, Beginning of years</b>	<b>18,630,996.41</b>	<b>31,097,943.29</b>	<b>3,285,970.95</b>	<b>7,088,321.25</b>
<b>Cash and cash equivalents, End of years</b>	<b>17,900,682.41</b>	<b>18,630,996.41</b>	<b>1,949,232.05</b>	<b>3,285,970.95</b>

**Supplemental Disclosures of Cash Flows Information**

Increase in assets from financial lease agreements during the years	1,549,766.35	27,682,037.35	450,000.00	826,168.23
Finance lease receivables arising from the sales of assets during the years.	-	-	18,999,231.45	-
Payable to purchase of fixed assets decrease during the years	(48,032.30)	(524,200.11)	(48,032.30)	(667,463.80)



**CMO PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**1. GENERAL INFORMATION**

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

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

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

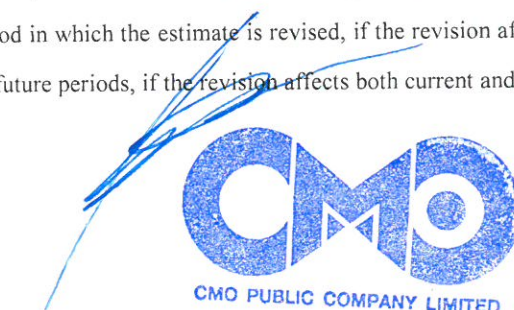
The financial statements are presented in compliance with stipulations of the Notification of the Department of Business Development, dated October 11, 2016, issued under the Accounting Act B.E. 2543.

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

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

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

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





### Basis of consolidated financial statement preparation

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

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

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

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

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

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

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

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

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

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

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

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

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

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Revenues and expenses are recognized on an accrual basis.

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

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

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

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

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

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

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

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

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

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

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

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

#### **Finance lease receivables**

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

#### **Work in Process**

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



### Investments in Joint Ventures

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

### Investments in Subsidiaries

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

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

### Property, Plant and Equipment and Depreciation

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

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

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

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

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

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

### Intangible assets

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





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

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

#### **Finance lease**

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

#### **Operating lease**

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

#### **Employee benefits**

##### *Short-term benefits*

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

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

##### Defined contribution plans

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

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

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

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

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## **Provisions**

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

## **Income tax**

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

### *Current tax*

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

### *Deferred tax*

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

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

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

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

## **Transactions in Foreign Currencies**

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

## **Fair value measurement**

Fair value is the price that would be received to sell an asset or that paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except where there no active market for an identical

asset or liability or when a quoted market price is not available, the Company measures fair value using valuation techniques appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1    Use of quoted market prices in an observable active market for such assets or liabilities.
- Level 2    Use of other observable inputs for such assets or liabilities, whether directly or indirectly.
- Level 3    Use of unobservable inputs such as estimates of future cash flows.

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

#### **Basic earnings (loss) per share**

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

#### **Financial Instruments**

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

### **4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

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

#### **Allowance for doubtful accounts**

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

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#### **Allowance for diminution in value of inventory**

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

#### **Leases**

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

#### **Property, plant and equipment / Depreciation**

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

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

#### **Impairment of investment in subsidiary and Joint venture**

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

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

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



### Litigation

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

### Goodwill

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

## 5. RELATED PARTY TRANSACTIONS

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

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

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

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

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

#### Management compensation – for key management personnel

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

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



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

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

Unit: Thousands Baht

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



*[Handwritten signature]*

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

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

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

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

   
CMO PUBLIC COMPANY LIMITED



Unit: Thousands Baht

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

  
  
CMO PUBLIC COMPANY LIMITED

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

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

## 6. CASH AND CASH EQUIVALENTS

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

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



## 7. TRADE AND OTHER RECEIVABLES - NET

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

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



Trade receivables can be classified by age analysis as follows:

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





## 8. FINANCE LEASE RECEIVABLES – NET

Finance lease receivables consisted of:

	Unit: Baht	
	Separate financial statements	
	2017	2016
Due within 1 year		
Minimum payments	6,000,000.00	-
Deferred interest	(1,417,951.89)	-
Present value of minimum payment	4,582,048.11	-
Due over 1 year not exceeding 5 years		
Minimum payments	16,154,000.00	-
Deferred interest	(1,736,816.66)	-
Present value of minimum payment	14,417,183.34	-

On February 1, 2017, the Company entered into an agreement to sell the operating equipment to a subsidiary amounting to Baht 36.65 million. The 1<sup>st</sup> payment of Baht 6 million was received on February 15, 2017. The 2<sup>nd</sup> payment of Baht 4 million was received on February 28, 2017. The 3<sup>rd</sup> to the 55<sup>th</sup> payment will be made monthly of Baht 0.50 million, on the 5th of the month starting February 2017 while the 56<sup>th</sup> payment will be Baht 0.15 million. The Company recorded gain from disposal of equipment under the agreement in the year ended December 31, 2017 amounting to Baht 0.58 million and gradually recorded the interest income at the effective interest rate over the life of the agreement, at the rate of 8.375% per annum, in the separate financial statements.

## 9. INVENTORIES - NET

Inventories as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Finished goods	952,926.89	928,256.44	-	928,256.44
Work in process	21,074,957.98	33,243,272.35	10,215,878.41	13,714,328.68
Goods in transit	-	152,389.56	-	-
Total Inventories	22,027,884.87	34,323,918.35	10,215,878.41	14,642,585.12
Loss on inventory devaluation	(862,382.56)	(862,382.56)	-	-
Total inventories - net	21,165,502.31	33,461,535.79	10,215,878.41	14,642,585.12

10. INVESTMENTS IN JOINT VENTURES - NET

Investments in joint ventures as at December 31, comprised:

Unit: Thousands Baht									
Joint Venture's name	Nature of business	Country	Ownership / voting right (%)		Paid-up capital		Consolidated financial statements		Separate financial statements
							Carrying amounts based on		Carrying amounts based on
			2017	2016	2017	2016	equity method	2017	cost method
CMO Show Corp	Development center show by mix up	Thailand	39.2857	50.00	140,000	110,000	12,904	42,604	55,000
Co. Ltd.	between Thai legendary and high technology as a presentation under the name "Hinnaphan Avatar"								55,000
Less Intercompany profit in the outstanding equipment of joint venture									
Total Investments in joint venture							(24,582)	(31,496)	-
Less allowance for impairment of investment							(11,678)	11,108	55,000
Total Investments in joint venture - net								(6,000)	-
								49,000	55,000





### Decrease in investments in joint ventures

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

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

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



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

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

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

	Unit: Thousands Baht	
	2017	2016
<b>Statement of financial position</b>		
Cash and cash equivalents	179	2,119
Current assets	28,632	24,851
Non current assets	254,614	291,740
Current liabilities	209,242	189,036
Non current liabilities	41,335	44,466
	Unit: Thousands Baht	
	2017	2016

**Statement of profit or loss**

**for the year ended period ended December 31,**

Total revenues	14,139	-
Net loss	(82,360)	(23,591)

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

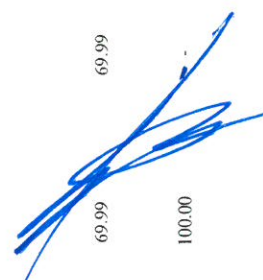
	Unit: Thousands Baht	
	2017	2016
Net assets of joint venture	32,848	85,208
Portion of equity interest in joint venture (%)	39.2857%	50%
<b>Equity interest in net assets of joint venture</b>	12,904	42,604
Less Intercompany profit in the outstanding equipment of joint venture	(24,582)	(31,496)
Book value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



# 11. INVESTMENTS IN SUBSIDIARIES – NET

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

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




CMO PUBLIC COMPANY LIMITED

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

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

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

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

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

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

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

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

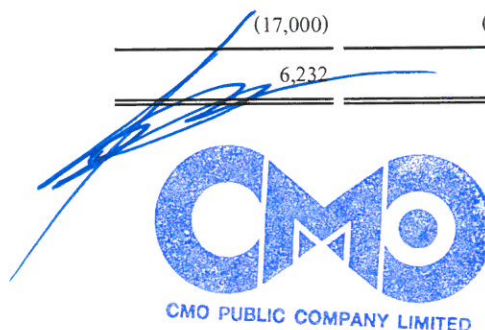


The significant of non-controlling interests of subsidiaries are as follows:

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

Financial information of subsidiaries before eliminated transaction is as follows:

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



## 12. PROPERTY, PLANT AND EQUIPMENT – NET

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

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

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



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

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

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

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

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

   
CMO PUBLIC COMPANY LIMITED

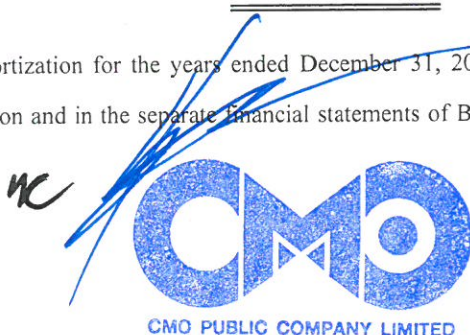
### 13. INTANGIBLE ASSETS – NET

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

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

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

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



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

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

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

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Unit: Thousands Baht

	Separate financial statements		
	Movement		
	As at	increase (decrease)	As at
	January 1, 2017	Profit or loss Other comprehensive	December 31, 2017
<b>Deferred tax assets :</b>			
Allowance for doubtful accounts	3,183	-	3,183
Allowance for impairment	600	-	600
Provision for employee benefit obligations	1,448	122	1,570
Provision	360	-	360
Tax loss carried forward	6,496	(6,496)	-
<b>Total deferred tax assets</b>	<b>12,087</b>	<b>(6,374)</b>	<b>5,713</b>

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

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

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

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

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CMO PUBLIC COMPANY LIMITED

## 15. OTHER NON-CURRENT ASSETS

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

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

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

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

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

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

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

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

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## 17. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, comprised:

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



# 18. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS - NET

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

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

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

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

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

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





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

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

### The Company

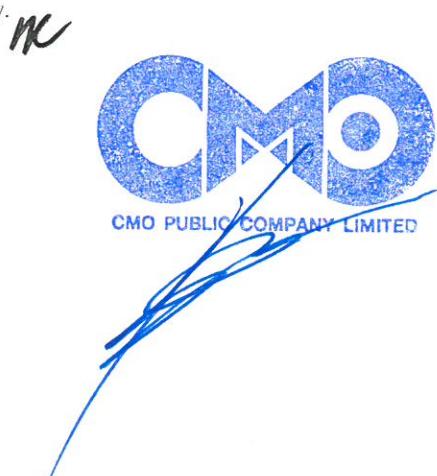
As at December 31, 2017 and 2016, the Company's long-term loans from banks carried interest at MLR minus certain rate, as stipulated in the agreement. The repayments of the principle and interest are to be made monthly. Full settlement of these loans is to be made within April 2018 to February 2020.

### Subsidiaries

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

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

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



## 20. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

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

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

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

Principal actuarial assumptions at the valuation date are as follow:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate	2.62-3.64	4.76	2.72	4.76
Future salary increase rate	3-6	9.93	5	9.93
Mortality rate	80%	100%	80%	100%

of Thai Mortality Ordinary Tables of 2008 of Thai Mortality Ordinary Tables of 2008

Employee turnover rate

Age under 25 year	22.92-57.30	27	45.84	27
Age over 25 and up to 30 years	17.19-42.98	27	34.38	27
Age over 30 and up to 35 years	11.46-28.65	27	22.92	27
Age over 35 and up to 40 years	7.64-19.10	27	15.28	27
Age over 40 and up to 45 years	5.73-14.33	27	13	27
Age over 45 and up to 50 years	3.82-9.55	27	13	27
Age over 55 and up to 60 years	1.91-4.78	27	13	27

## 21. SHARE CAPITAL

On April 27, 2016, the Extraordinary General Meeting of Shareholders 1/2016 approved to reduce the share capital of 36,037,052 shares at the price of Baht 1 per share from the previous share capital of Baht 291,499,785 to Baht 255,462,733. The Company registered the share capital reduction with the Ministry of Commerce on May 12, 2016.

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

## 22. LEGAL RESERVE

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

## 23. DIVIDEND PAYMENT

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

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

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

## 24. EXPENSES BY NATURE

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

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

## 25. FINANCIAL INFORMATION BY SEGMENT

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

For the year ended December 31, 2017

		Unit : Thousands Baht					
		Consolidated Financial Statements					
		Installation					
		Rental	Production	supplies and	Amusement		
	Organizer	Equipment	of Media	Electrical	park	Eliminated	Total
Revenues							
Marketing and							
Promotion Events	236.753						
Trade Shows and							
Exhibitions	145.337						
Public Events	151.502						
MICE	9.216						
Professional							
Exhibition Organizer	20.494						
Museum	124.218						
Total	687.520	524.875	43.922	177.630	21.788	(93.499)	1.362.236
Cost of services							(1.043.273)
Gross profit							318.963
Other income							14.205
Selling expenses							(6.511)
Administrative expenses							(198.703)
Finance costs							(25.397)
Share of loss from investments using the equity method							(36.260)
Profit before income tax							66.298
Tax expense							(22.724)
Profit (loss) for the year	53.360	41.968	(628)	12.963	(6.337)	(57.751)	43.574
Profit attributable to							
Equity holders of the Company							36.195
Non-controlling interests							7.379
							43.574

As at December 31, 2017

Trade and other							
receivables - net	194.025	167.245	13.365	25.751	2.185	(34.975)	367.597
Property plant and							
equipment - net	79.930	376.857	38.489	17.206	17.977	82.979	613.438
Other	498.730	52.409	7.022	16.543	6.443	(381.846)	199.301
Total Assets	772.685	596.511	58.876	59.500	26.605	(333.842)	1.180.336



For the year ended December 31, 2016

Unit : Thousands Baht

Consolidated Financial Statements

	Organizer	Rental Equipment	Production of Media	Installation supplies and Electrical	Eliminated	Total
Revenues						
Marketing and Promotion Events	298,314					
Trade Shows and Exhibitions	186,690					
Public Events	142,732					
MICE	4,960					
Professional Exhibition Organizer	24,992					
Museum	58,968					
Total	716,656	404,766	38,369	174,813	(134,951)	1,199,653
Cost of services						(998,015)
Gross profit						201,638
Other income						13,596
Selling expenses						(15,040)
Administrative expenses						(190,861)
Finance costs						(27,992)
Share of loss from investments using the equity method						(11,796)
Loss before income tax expenses						(30,455)
Tax revenue						(1,585)
Profit (loss) for the year	44,239	(2,287)	(1,512)	16,552	(89,032)	(32,040)
Profit (loss) attributable to						
Equity holders of the Company						(43,357)
Non-controlling interests						11,318
						(32,040)

As at December 31, 2016

Trade and other receivables - net	206,001	64,067	10,499	25,094	(33,650)	272,011
Property plant and equipment - net	128,363	421,023	43,833	16,773	73,495	683,487
Other	429,906	70,449	8,012	20,870	(304,189)	225,048
Total Assets	764,270	555,539	62,344	62,737	(264,344)	1,180,546



## 26. FINANCIAL INSTRUMENTS

### Financial Risk Management

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

#### Interest rate risk

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

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

#### Foreign currency risk

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

#### Credit Risk

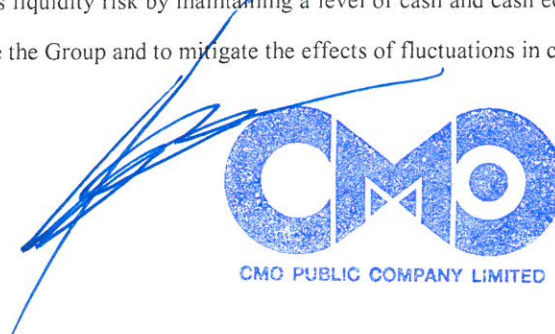
The Group provides credit terms to each customer after confirming her credit worthiness. The collection of accounts receivables is closely monitored and will focus on the overdue receivables and the Group will make a provision for accounts receivable that is overdue for more than 365 days. Presently,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

#### Fair Value

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

#### The risk of liquidity

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



## Capital management

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

### 27. PROVIDENT FUND

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

### 28. COMMITMENTS AND CONTINGENT LIABILITIES

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

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

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

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

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



## 29. LITIGATION

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

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

## 30. CORRECTION OF ACCOUNTING ERROR

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

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



### 31. RECLASSIFICATION OF ACCOUNT

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

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

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

**32. EVENT AFTER THE REPORTING PERIOD**

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

**33. APPROVAL OF FINANCIAL STATEMENT**

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

