



POWER OF
SYNERGY

1.0 Introduction

POWER OF SYNERGY



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1.1 Our Vision, Mission & Values

Vision

To be the leader of innovative lifestyle media networks and solutions

Mission

To provide the most valuable with highest impact advertising lifestyle media networks and solutions

Values

VGI HEART

V = VERY

G = GOOD

I = INDEED

H = HELPFUL

E = ENERGETIC

A = ADAPTIVE

R = RELIABLE

T = TEAMWORK

Motto

Always From The Heart



1.2 Financial Highlights

	2014/15	2013/14	2012/13 Restated
STATEMENT OF COMPREHENSIVE INCOME (THB mn)			
Revenue from services ⁽¹⁾	2,962.7	3,149.0	2,837.8
BTS-related Media	1,805.3	1,678.8	1,422.5
Modern Trade Media	968.7	1,295.2	1,249.6
Office Building & Other Media	188.7	175.1	165.8
Cost of sales	1,324.6	1,341.9	1,289.4
Gross profit	1,638.1	1,807.1	1,548.5
EBITDA	1,225.4	1,509.7	1,288.7
Net profit	837.6	1,145.7	901.6
STATEMENT OF FINANCIAL POSITION (THB mn)			
Total assets	3,286.5	2,740.9	2,579.3
Total liabilities	1,457.4	787.6	758.4
Total shareholders' equity	1,829.1	1,953.3	1,820.9
CASH FLOW (THB mn)			
Cash from operating activities	1,069.5	1,292.1	560.5
Capital expenditures	(521.1)	(510.2)	(322.5)
PER SHARE DATA (THB / share)			
Earnings per share ⁽²⁾	0.1	0.3	3.4
Dividend per share ^{(2) (3)}	0.2	0.3	2.0
Book value per share ⁽²⁾	0.3	0.6	0.6
KEY RATIOS			
Gross profit margin (%)	55.3%	57.4%	54.6%
EBITDA margin (%)	41.4%	47.9%	45.4%
Net profit margin (%)	28.3%	36.4%	31.8%
Net debt to equity (times)	0.3x	No leverage	
ROA (%)	27.8%	43.1%	46.3%
ROE (%)	44.3%	60.7%	85.3%
SHARE INFORMATION (as of 31 March)			
Share price (THB)	5.45	11.40	131.5
Outstanding shares (shares mn)	6,864.3	3,432.0	300.0
Market capitalisation (THB mn)	37,410.6	39,124.5	39,450.0
Par value (THB per share)	0.10	0.10	1.00

Notes:

(1) Excludes other income.

(2) In 2014/15 and 2013/14, calculation is based on par value of THB 0.10 per share. In 2012/13, calculation was based on par value of THB 1.00.

(3) The total dividend payment from 2014/15 operations was equal to THB 1,033mn including cash dividend of THB 690mn and stock dividend of THB 343mn (the final dividend is subject to the resolution of Annual General Meeting, which will be held on 6 July 2015)



1.3 Message from the Chairman



Dear Fellow Stakeholders,

The last year has been a challenging year for Thailand. VGI Global Media, with its high exposure to consumer confidence and private consumption levels suffered as a result and fell short on its annual targets. For 2014 GDP grew by only 0.7% and private consumption grew at 0.6%.

Operating revenue fell by 5.9% for 2014/15 driven by the decline of Modern Trade Media. Modern Trade Media has a high exposure to the advertising budget allocated for Fast-Moving Consumer Goods (FMCG) and this segment was particularly hard hit by the consumption slow down. Further, this segment's result was impacted by the expiry of Tesco Lotus sales floor contract in February 2015. Net profit for the year was THB 838mn, down 26.9% year over year

Despite the anticipated recovery of consumer demand and the expected benefit that it will bring to Modern Trade advertising, we believe it would be prudent to re-consider our strategy in this segment as we were not able to enforce the exclusivity of such contracts which threatened the viability of the business. Rather than risk potential ongoing losses, we will refocus our efforts and resources back to our core business of BTS-related Media and Office Building Media. Unfortunately, this difficult decision has also required the layoff of several staff members. I would like to take this opportunity to thank our Modern Trade staff members

that have been supporting us for many years and wish them good luck in their future.

In contrast, we have seen our BTS-related Media continue to go from strength to strength. In a period when overall advertising revenues declined by 8.4% during 2014/15, BTS-related Media revenue rose by 7.5% and achieved a gross margin of 76%. We are expecting further growth in the year ahead with 16% revenue forecast from this segment and are very optimistic over the long term. On 6 May 2015, VGI secured the rights to advertise on 7 stations of the green line extension from Krung Thonburi to Wongwian Yai (2 stations) and from Bang Chak to Bearing (5 stations). BTS Group is highly confident of securing further extension contracts and VGI would hope to benefit from this.

Whilst the Outdoor segment remains highly competitive, VGI strengthen its position in this segment during the year through its acquisition of a 24.96% stake in SET-listed Master Ad Pcl (MACO). MACO is a highly capable competitor specializing in Outdoor advertising with an experienced management team. We are confident that MACO is the appropriate vehicle to build our exposure to this segment.

During the year, VGI was able to pay both a cash and stock dividend. If the final dividend of THB 0.025 per share is approved

¹ January - December

² Calculated from 1) dividend paid from the operating result of FY 2014/15 totaling THB 1,033.2mn, including cash dividend of THB 690mn and stock dividend of THB 343.2mn (based on par value), 2) share price at THB 4.34 per share as of 6 May 2015 and 3) 6,864.3mn shares, as of 6 May 2015.



the total dividend for the year will be THB 1,033mn and represent a dividend yield of 3.5%². As of 31 March 2015, VGI has cash and liquid investment balance of THB 528mn and short-term loan of only THB 530mn. This strong balance sheet leaves VGI well positioned to take on future growth opportunities.

The Company and its management team were also recognized during the year with a “Best under a billion” award by Forbes, as we are listed in top 200 out of 17,000 small and midsize companies in Asia Pacific who has high sales growth, earnings growth and return on equity. However, the future optimism is most strongly expressed through the confidence of VGI Global Media’s parent company, BTS Group, which increased its stake from 60.3% in Mar 2014 to 69.6% in April 2015.

Once again, let me extend my deep gratitude to all the staff members within the VGI Global Media for their commitment and professionalism under challenging conditions, and I would like to thank our stakeholders for their continued faith and collaboration.

(Keeree Kanjanapas)
Chairman of the Board of Director

1.4 Message from the Chairman of the Executive Committee and CEO



2014 was one of the most challenging years for VGI. Advertising revenues, especially ad spending by FMCG (Fast-Moving Consumer Goods) companies were impacted by the effects of Thailand's low 0.7% GDP growth.¹ The FMCG sector usually accounts for approximately 40% of total advertising expenditure². The Thai government's mandate to switch over from analogue to digital TV broadcasting and the approval of additional TV operating licenses was another factor. These policies are expected to increase the competition in the industry, as television remains the advertising channel with the highest market share. However, VGI benefits from these changes in the short-term as many of the new TV channels have chosen to promote their programs through VGI's media.

In 2014/15 overall Thai advertising revenues contracted by 8.4%. This is the second year of market contraction. Despite these unfavourable conditions, the Company's revenue from advertising and merchandising space on BTS; and Office Buildings & Other media grew year-on-year by 7.5% and 7.8% respectively. These were attributed to an increased BTS ridership and extending the reach of the Company's media network.

VGI's overall revenue fell by 5.9% mainly due to a decrease in revenue from Modern Trade Media. This was caused by: 1) Gradual expiry of the Company's media management contracts with Tesco Lotus during the period December 2014 to February 2015; and 2) Appearance of non-VGI advertising media at Big C in areas for which the Company had exclusive management rights. Due to this non-compliance the Company terminated the agreement with Big C effective from 30 April 2015. The Company set aside a provision of initial damages incurred from terminating the Big C agreement of THB 215mn (before tax). As a result, the Company's net profit declined 27% year-on-year to THB 838mn. Without the provision, net profit of THB 1,009mn and only a 12% decrease would have been achieved.

In addition to the financial impact, the Company had to introduce difficult structural changes resulting in the layoff of more than half of the Company's total employees. The Company offered severance pay and other assistance to more than 200 terminated Modern Trade employees and facilitated transfers to other positions within the Group. These actions highlight the Company's responsible stance towards our valued former employees. VGI also continues to be committed to training and development of employees at all levels and business units to ensure professional corporate and personal enhancement and that the Company remains an employer of choice. In this context, high priority is accorded to planning for successive mid-and top-tier management generations.

The Company recognises that a harmonious society creates value for a sustainable growth across the entire business, the communities we are operating in and serves as a foundation for national development. Therefore social-contribution activities are a crucial part of the Company's mission. In the past year, we participated and initiated CSR projects such as donate Vinyl advertising sheets and un-used cloth to produce roof and wind protection, donate money and items to non-profit organisations

(**Kavin Kanjanapas**)
The Chairman of the
Executive Committee

such as “Power of the Little” of Unicef Thailand, “Sai Jai Klay Now Ha Khao Hai Nong Im” (help children from starvation and suffered from the intense cold), “Get Pink” of Queen Sirikit Centre for Breast Cancer Foundation, etc. Moreover, the Company supplies social support projects with advertising and merchandising spaces such as spaces on BTS stations to collect donation for the “Get Pink” project, air-time on Mega LED on clock-towers in rural provinces to promote “Drive safely without alcohol during Song Kran”, etc. And continuously, the Company repeats power-saving project such as replacing fluorescent lamps in the advertising media to the LED power-saving lamp, use both side of paper in the office, keep digital documents, turn-off light during lunch time, etc. Throughout many years of the business, VGI committed to pursue business operations with ethics and transparency under good corporate governance (CG) principles. According to the recent CG assessment of 2014 SET listed companies by the Thai Institute of Directors (IOD), VGI has been rated ‘Good’ (4 Stars) under the new assessment criteria.

During the past year, VGI successfully expanded its footprint into the Outdoor media category through an investment of 24.96% in Master Ads Pcl (MACO). Until the end of 2014/15, VGI achieved more than 23% return on investment in MACO from cash dividend and from selling of MACO-W1. That excludes MACO’s share price appreciation of more than 33% since VGI’s initial investment in May 2014. Moreover, VGI has been appointed to be the selling agent for MACO’s Street Furniture Media. We strongly believe in a long-term synergy with MACO helping to build a sustainable growth for both companies.

The Company aims to maintain its leadership position in the Out-of-Home Media by expanding its market share, whilst adhering to its sustainable growth principles. Despite the unexpected business re-structuring by discontinuing the operation in Modern Trade Media, we can expect to generate sustainable long-term growth. For 2015/16, we forecast an improvement in the gross profit margin to 65%, from 55% in 2014/15. BTS-related Media will remain VGI’s core business, with expected growth of 16% following the increase in ridership and introduction of digital screens. Revenues from Office Building Media is expected to grow by 20% due to an increase of coverage in additional buildings. For Other media and ad selling business, we expect to generate growth of more than 1,000% and revenues of more than THB 300mn. This constitutes existing and new projects handling the ad bookings on behalf of media space owners MACO, Thai AirAsia, and the Mega LEDs visible on major traffic junctions.

We would like to express our sincere gratitude to all our stakeholders, business partners and customers. Your support and trust in VGI has helped the Company to progress and succeed over time. We particularly value the immense dedication of all our VGI staff, especially the tremendous contributions from our former Modern Trade employees. Despite the lack of a formal business interaction, we like to nurture and welcome your active long-term involvement in the VGI alumni community. We hope that we can count on all of your continued support to shape a common successful future.



(Marut Arthakaivalvatee)

CEO

¹ January - December

² Source: The Nielsen Company (Thailand) Co., Ltd.

1.5 Our Board of Directors

Mr. Keeree Kanjanapas

Chairman of the Board of Directors



Mr. Kavin Kanjanapas

Director



Mr. Surapong Laoha-Unya

Director

Mr. Kong Chi Keung
Director



Mr. Marut Arthakaivalvatee
Director



Mr. Chan Kin Tak
Director



Assoc. Prof. Jaruporn Viyanant
Independent Director
Chairman of the Audit Committee



Mrs. Maneeporn Siriwatanawong
Independent Director
Member of the Audit Committee



Mr. Mana Jantanayingyong
Independent Director
Member of the Audit Committee

1.6 Our Management

Mr. Kavin Kanjanapas

Chairman of the Executive Committee



Mr. Marut Arthakaivalvatee

Member of the Executive Committee
and Chief Executive Officer



Mr. Chavin Kalayanamitr

Member of the Executive Committee
and Chief Technology Officer



Mrs. Suparanan Tanviruch

Member of the Executive Committee
and Chief Financial Officer



Ms. Catharin Jirarudee

Member of the Executive Committee
and Chief Legal and
Compliance Officer

Mr. Chan Kin Tak

Member of the Executive Committee
and Chief Operating Officer



Mrs. Oranuch Rujirawona

Member of the Executive Committee
and Chief Sales and Marketing Officer



M.L. Kriengkrai Hastindra

Member of the Executive Committee
and Deputy Chief Sales and
Marketing Officer
(not an Executive by definition of the SEC)



Ms. Daranee Phanklin

Financial Controller

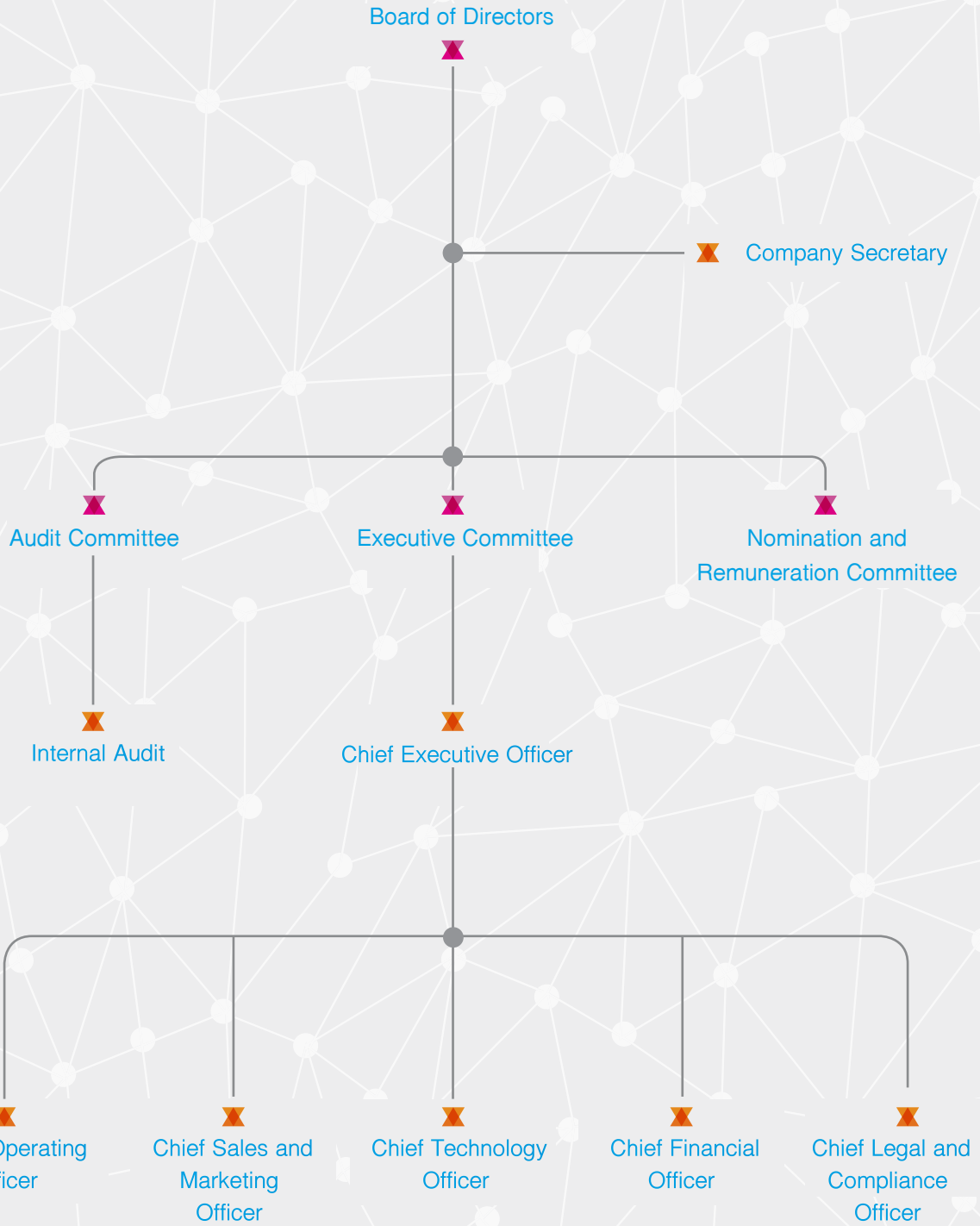


Mrs. Pitchapaksorn Jitopas

Billing & Accounting Director



1.7 Organisation Chart (as of 31 March 2015)



Remark The Board of Directors' Meeting No. 4/2015 held on March 20, 2015 resolved to reorganise the Company's organisation chart, which shall be effective from April 1, 2015 onwards, i.e. the appointment of Advisory Board (such board is a group of individual advisors who are knowledgeable and being the experts who can provide the strategic and useful advice to the business affairs of the Company and subsidiaries. The advisors in the Advisory Board shall be appointed by the Board of Directors) and Corporate Governance Committee and the change in position's name of the Chief Executive Officer and the Chairman of the Executive Committee in which it is reflected only in Thai.

2.0 Highlights 2014/15 and Outlook 2015/16



2.1. Important Events 2014/15

May 2014

- VGI was appointed to be the sole selling agent for Thai AirAsia's aircrafts.
- VGI acquired 24.43% of the total issued shares of MACO. MACO is a leading Out-of-Home Media advertising company and listed on the SET. The acquisition is a strategic investment to expand VGI's Out-of-Home Media network and to achieve long-term synergy between the two companies.

July 2014

- The 2014 Annual General Meeting of Shareholders of VGI resolved to approve the issuance and allocation of VGI-W1 to the existing shareholders of VGI at pro rata to their respective shareholdings, in order to provide readiness and enhance financial strengths and flexibility to VGI in proceeding with its future projects as well as to allow VGI to reserve funds to be used as working capital. VGI-W1 began trading on SET on 18 August 2014.
- VGI was selected to be one of the "Best Under A Billion" companies listed in the August issue of Forbes Asia 2014. Forbes Asia's "Best Under A Billion" list highlights 200 of the best small and mid-sized listed companies in Asia Pacific with annual revenue under \$1 billion.

October 2014

- VGI added 28 new contracts into the Office Building portfolio and expanded its media spaces in office lobbies and outside of Empire Tower. Please find more detail of the performance this year in *Section 3.4.3: Office building and Other Media*.
- VGI was appointed to be sales agent for LED in Lao People's Democratic Republic.

December 2014

- VGI was appointed to be the exclusive media sales agent for MACO's street furniture.

January 2015

- Interim cash dividend of THB 0.14 per share (a total of 480mn) paid on 30 January 2015
- VGI bid for and was awarded to manage all of the advertising space inside and outside of Chamchuri Square.

February 2015

- Advertisement Display Concession Agreements in Tesco Lotus gradually expired from December 2014 to February 2015.

March 2015

- As per resolution of the Extraordinary General Meeting of Shareholders No. 1/2015, on 31 March 2015, VGI paid stock dividend at the ratio of every 1 existing shares for 1 stock dividend (THB 0.10 per share) and THB 0.011 per share. As a result, the total issued shares increased from 3,432mn shares to 6,864mn shares.

May 2015

- On 6 May 2015, VGI's Board of Directors resolved to approve the allocation of the remaining profit from operating results ended 31 March 2015 to make cash dividend at THB 0.025 per share (a total of THB 172 mn). The total dividend payment will be equal to THB 1,033mn (subject to the resolution of Annual General Meeting of Shareholders, which will be held on 6 July 2015).
- VGI terminated the Advertising Display Concession Agreement for the right to manage advertising space in Big C Supercenter and Mini Big C, as well as stopped the operation of Modern Trade Media.
- VGI signed a contract with BTSC, for being granted the right receiving the rights to manage marketing service on 7 stations in BTS SkyTrain system in extension route.
- VGI subscribed for newly issued ordinary shares in LED Advance Company Limited ("LED"), whose business is providing advertising media service in 13 domestic airports.

2.2 Business Target Assessment 2014/15

The Thai economy picked up at a slower pace than expected during 2014/15, owing to weak domestic consumption and low investment spending as the government delayed its stimulus packages plan throughout the year. These factors negatively impacted Thai businesses, especially in the Media sector which relies heavily on the macro economy. The slow momentum of economic recovery adversely affected Thai advertising spending, as evident from the 8.4%¹ decline in 2014/15 from the previous year.

Our Modern Trade revenue declined by 25.2% mainly from 2 factors: 1) the anticipated decline in sales from the termination of the Tesco Lotus contract and 2) the Company's decision to prematurely terminate the contract with Big C as many non-VGI advertising media were found in the spaces in which the Company had exclusive rights to manage. Moreover, Big C was unable to resolve the aforementioned matter in accordance with the contract obligations, leading to significant reduction revenue and decreased profitability. The table below demonstrates the assessment of the Company's stated target and the actual performance.

2014/15 Targeted Revenue Growth	2014/15 Actual Revenue Growth	Target Assessment
Initial: 13-17% Revised: 0-3%	-5.9%	<p>Although we did not meet our target, BTS-related Media revenue once again demonstrated solid growth of 7.5% YoY in the face of adverse economic conditions. This came mainly from strong improvement in revenue performance from increased carriages and Platform Truss LEDs Project.</p> <p>Our Modern Trade Media revenue dropped by 25.2% YoY owing to the gradual expiration of all Tesco Lotus contract and the aforementioned decision to terminate the contract with Big C.</p> <p>Office building & Other media revenue also demonstrated its resilience, showing a growth of 7.8% YoY. Mainly due to revenue generated from additional buildings.</p> <p>Please find more detail of the performance this year in <i>Section 4.4: Management Discussion & Analysis</i>.</p>

¹ The Nielsen Company (Thailand) Co., Ltd. (excludes classified, house ads and cable and digital TV)

2.3 Business Outlook 2015/16

In the short-term, the Company's decision to discontinue its operation in Big C and FamilyMart (static media only) is expected to lead to a reduction in our total revenue in 2015/16 by 12% from the previous year. However, the Company will see the shift of revenue contribution more towards BTS-related Media and will see improved profitability as our core business has a higher margin.

The Company set the growth targets in 2015/16 as follows:



BTS-related Media revenue is expected to increase by 16% from the previous year as a result of increased capacity on BTS stations and in trains, particularly from the new media including Platform Truss LEDs, E-Posters and Platform Screen Doors, which were installed and sold since last year.



Office Building Media will be set in separate unit from other media as it proved to be a resilient business unit, as evident from 17% compounded annual growth rate in the past 5 years. The Company expects to see a healthy revenue growth of 20% driven by the expansion of Office Building Media network in Bangkok by 10-20%.



Other Media includes projects such as: 1) Chamchuri Square, 2) Empire Tower, 3) Victory Monument Mega LEDs, 4) AirAsia, 5) Midas Upcountry LEDs, 6) Street Furniture and 7) BKK Mega LEDs and these projects are expected to grow by approximately 1,000% from the previous year.

Expected 2015/16 CAPEX of

**THB
268 mn**

3.0 The Company and Media Industry



3.1 Corporate Structure



VGI Global Media Pcl.

✘ VGI Advertising Media Co., Ltd.
100%

✘ 999 Media Co., Ltd.
100%

✘ 888 Media Co., Ltd.
100%

✘ Point of View (POV) Media Group Co., Ltd.
100%

✘ VGI Advertising China Co., Ltd.
100%

✘ Midas Global Media Co., Ltd.
30%

✘ Master Ad Plc.
24.96%

Remark: On May 15, 2015, the Company subscribed for 15,000 newly issued ordinary shares in LED Advance Company Limited ("LED") or equivalent to 20 per cent of registered capital of LED. Consequently, LED became the Company's associate company.

3.2 Corporate Information

Company Profile

Year Established:	1995
Equity First Trade Date:	11 October 2012
Stock Symbol:	VGI
Market:	SET
Industry:	Services
Sector:	Media & Publishing
Registered Capital :	THB 857,993,253.00
Paid-up Capital:	THB 686,397,845.00
(as of 31 Mar 2015)	
No. of Listed Shares:	6,863,978,450 shares
(as of 31 Mar 2015)	
No. of VGI-W1:	857,963,390 units
(as of 31 Mar 2015)	
Par Value:	THB 0.10 per share

Stock Registrar

Thailand Securities Depository Co., Ltd.

62 The Stock Exchange of Thailand Building
Rachadapisek Road, Klongtoey
Bangkok 10110, Thailand

Tel: +66 (0) 2229 2800
Call Center: +66 (0) 2229 2888
Fax: +66 (0) 2359 1259
Website: www.tsd.co.th

Company Registered Address

21 TST Tower, 9th Floor
Viphavadi-Rangsit Road
Chomphon, Chatuchak
Bangkok 10900 Thailand
Registration No.: 0107555000066
Website: www.vgi.co.th

Key Contact Details

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Fax: +66 (0) 2273 8883

Company Secretary

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Fax: +66 (0) 2273 8883
Email: companysecretary@vgi.co.th

Investor Relations

Tel: +66 (0) 2273 8611-5 ext. 1528, 1529
Fax: +66 (0) 2273 8610
Email: ir@vgi.co.th

Auditor

EY Office Limited

33rd Floor, Lake Rajada Office Complex
193/136-137 New Rajadapisek Road
Klongtoey, Bangkok 10110, Thailand
Tel: +66 (0) 2264 0777
Fax: +66 (0) 2264 0789-90
Mr. Supachai Phanyawattano
Certified Public Accountant No. 3930



3.3 Our History

April 1995

Established under the name Global Technologies and Telecom Co., Ltd. and changed its name to VGI Global Media Co., Ltd. in December 1998.

January 1999

Signed a contract with BTSC, receiving the rights to manage the advertising and merchandising areas on 23 BTS SkyTrain stations and for all BTS trains for 10 years.

August 2005

Was granted the right to manage the advertising space in all branches of Big C throughout Thailand. VGI decided to discontinue operations in Big C effective from 1 May 2015.

December 2008

Acquired VGI Multi tech, VGI Ad and 999 Media.

October 2009

Acquired POV, the provider of advertising media in passenger lifts in large office buildings in the business district of Bangkok Metropolis.

June 2010

Established a wholly-owned subsidiary "VGI Ad China", to provide advertising media service through POP radio in all branches of CP Lotus in China.

April 2012

Converted into a public company limited.

May 2012

Signed license to manage marketing service agreement with BTSC to supercede the previously signed agreement. The new agreement expires at the same time the concession agreement between BTSC and BMA.

November 2012

Renewed contract for being appointed the exclusive sales agent of Mega LED screens at Pratunam, Rama IX Junction, Victory Monument, which appointed VGI since October 2011 and was also granted an additional location at Rama IV-Sathorn Junction.

January 2013

VGI Ad China changed its type of business from providing advertising media service through point of purchase radio in CP Lotus China to provide advertisement of Chinese products in Thailand.

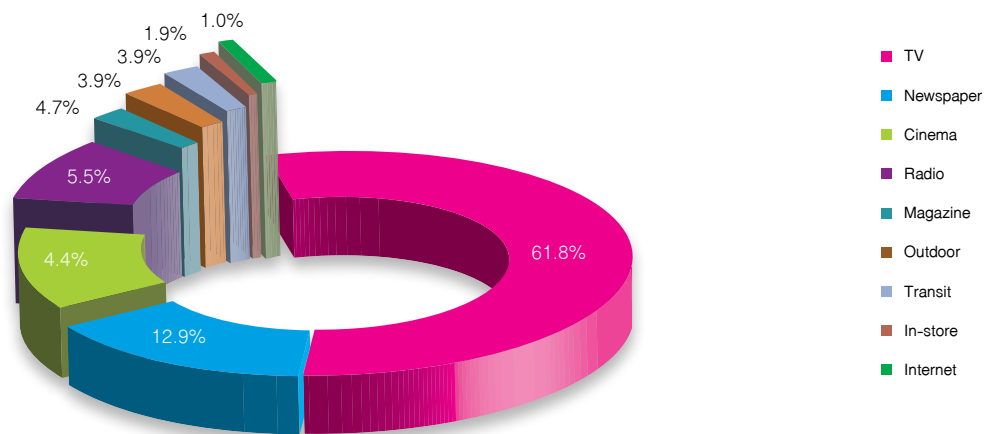
May 2003		December 2004
Expanded our business into Modern Trade Media. The first modern trade retailer granted the right to manage advertising space was Watsons.		Was granted the rights to manage the advertising space on Non-Sales Floor areas in all branches of Tesco Lotus throughout Thailand. Later in March 2010, we were granted additional area of advertising spaces (digital media network and point of purchase radio) in all branches of Tesco Lotus. In December 2010, we were granted the exclusive rights to manage the advertising spaces in all branches of Tesco lotus throughout Thailand. Provided that, all rights to manage advertising spaces in Tesco Lotus has been expired on 28 February 2015.
February 2009		September 2009
Acquired 888 Media and was granted the rights to manage the advertising space in Non-Sales Floor areas of all Carrefour branches in Thailand.		BTSC acquired VGI by financing a portion of the acquisition by cash and by new equity issuance of 187,617,260 BTSC shares, or 1.17% of BTSC's total shares as of 31 December 2010 (after issuing the shares).
November 2010		January 2012
Signed a contract with BTSC, for being granted the rights to manage the advertising area on the BRT for a period of approximately 7 years.		Was granted exclusive rights to manage the digital media network and POP radio in all branches of Big C in Thailand.
July 2012		October 2012
Was granted rights to manage advertising for Chulalongkorn University's bus system.		Successfully listed on the SET under the ticker symbol "VGI".
September 2013		February 2014
Changed the par value from THB 1.00 to THB 0.10 per share, to increase the liquidity of the Company's shares trading on the SET. VGI's shares begin trading with new price, which was adjusted to the new par value, on 27 September 2013.		Formed a joint venture with Deelight Multimedia Co., Ltd. by carrying through VGI's subsidiary (VGI Multi-Tech International Co., Ltd.). This joint venture company has right to manage space of 66 lightboxes from Expressway Authority of Thailand. VGI also became the exclusive sales agent for this joint venture for all current media. Later, the joint venture became the Company's associate company and changed its name to Midas Global Media Co., Ltd.

3.4 Industry and Business Overview

1. Thai Media Industry in 2014/15

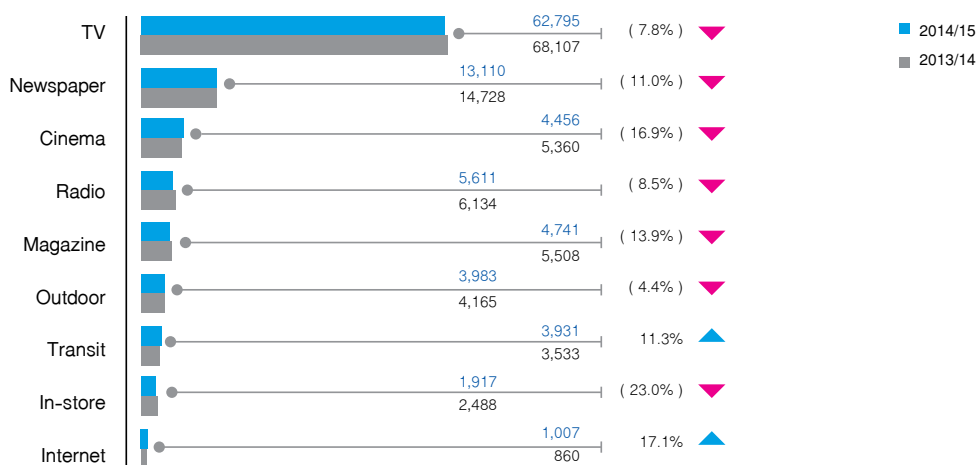
The Thai economy grew slower than expected in 2014/15 from weaker private consumption, reduced investment spending, a decline in exports, as well as from delayed government spending, causing Thai GDP grew merely 0.7% in 2014¹. Advertising expenditures contracted by 8.4% to THB 101,551mn, reflecting the overall sluggish economy². The In-store Media sector (in which the Company operates its business) was hardest hit declining by 23.0% YoY to THB 1,917mn, on weakened consumption, particularly as spending on fast moving consumer goods, which is the top advertiser in In-store Media spending, was withdrawn. Despite the advertising industry's high vulnerability to economic conditions, the Transit Media sector (in which the Company also operates its business) grew 11.3% YoY to THB 3,931mn, the second best performing sector in the Media industry, following the Internet sector, which grew 17.1% to THB 1,007mn.

Figure 1: Media Industry Market Share in Thailand in 2014/15



Source: The Nielsen Company (Thailand) Co., Ltd Excludes classified, house ads and Cable and Digital TV

Figure 2: Advertising Expenditure in Thailand in 2014/15 vs 2013/14 (THB mn)



Source: The Nielsen Company (Thailand) Co., Ltd Excludes classified, house ads and Digital TV

¹Office of the National Economic and Social Development Board

²The Nielsen Company (Thailand) Co., Ltd. (excludes classified, house ads and cable and digital TV)

2. Key Trends

2.1 Out-of-Home Media vs. Traditional Media in Thailand

In 2014/15, Out-of-Home Media spending which includes Transit, In-store, and Outdoor Media was THB 9,831mn or 9.7% of Thailand's advertising spending, which totaled THB 101,551mn. Out-of-Home Media has grown continuously at a higher rate each year compared to traditional media segments such as TV, Radio, Newspaper and Magazine. Whilst Traditional media still had the highest market share at 84.9% of Thailand's advertising spending, the trend is expected to move towards Out-of-Home Media over time. This is apparent from the faster pace in advertising spending in Out-of-Home Media during the past 5 years. During 2009/10 - 2014/15,

In-store and Transit Media had compound annual growth rate (CAGR) of 16.5% and 17.8%, respectively. On the contrary, the three highest ad spending growth in Traditional Media was Television, Newspaper and Radio with CAGR of 2.9%, -2.0% and -2.4%, respectively. Moreover, Out-of-Home Media segment gained the most market share. Out-of-Home Media's market share grew from 6.3% in 2005/06 to 9.7% in 2014/15, or a 3.4% increase. By comparison, the Traditional media's market share which includes Radio, Newspaper and Magazine declined from 33.5% in 2005/06 to 23.1% in 2014/15 (or a 10.4% decrease).

Figure 3: 2009/10 - 2014/15 Thailand Media Industry Spend

unit: THB mn	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	5 Years CAGR
TV	54,535	62,537	62,528	68,755	68,107	62,795	2.9%
Newspapers	14,513	15,038	14,650	14,993	14,728	13,110	-2.0%
Cinema	5,037	6,382	7,231	7,205	5,360	4,456	-2.4%
Radio	6,208	6,057	6,027	6,335	6,134	5,611	-2.0%
Magazine	5,490	5,764	5,715	5,662	5,508	4,741	-2.9%
Outdoor	3,883	3,962	4,319	4,471	4,165	3,983	0.5%
Transit	1,828	2,262	2,650	3,189	3,533	3,931	16.5%
In-store	846	1,198	1,760	2,813	2,488	1,917	17.8%
Internet	287	328	500	645	860	1,007	28.5%
Total Ad spending	92,627	103,527	105,382	114,068	110,883	101,551	1.9%

Source: The Nielsen Company (Thailand) Co., Ltd Excludes classified, house ads and Cable and Digital TV

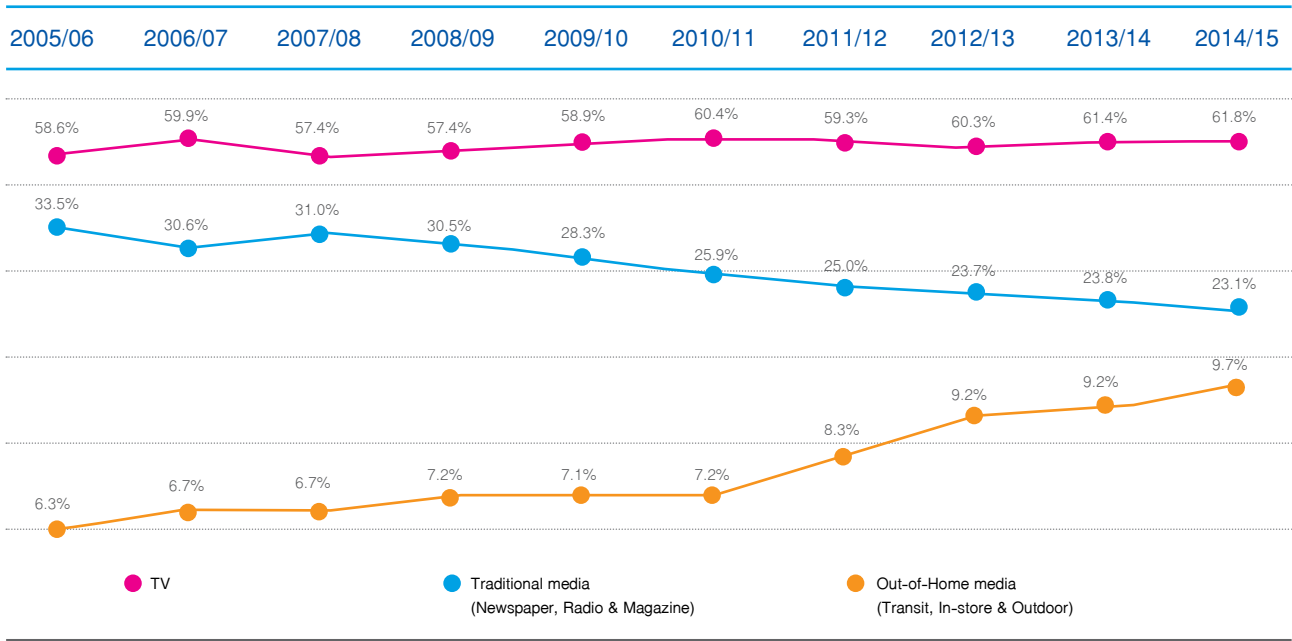
2.2 Urbanisation shifts advertising spending to Out-of-Home media

Urbanisation played a role in driving social changes in Thailand, which also correlates to the increase in the growth in Out-of-Home Media spending. For example, high population density and severe traffic congestion as a result of urbanisation and lack of road development have made it inevitable for Bangkok to aggressively develop rail mass transit. BTS SkyTrain ridership has increased significantly over the past 5 years from 145mn passenger trips in 2009/10 to 229mn passenger trips in 2014/15, representing compounded annual growth rate of 9.6%. This excludes any additional ridership growth from extensions to the Core Network, the Blue line and the Red line. The growth in mass transit ridership has resulted increased Out-of-Home Media spending,

particularly in the Transit sector which had compound annual growth rate of 16.5% over the past 5 years, as advertisers follow this rising trend.

Furthermore, today's consumers are spending more time than ever outside of their homes. Most of this time is spent commuting in their cars, in rail mass transit, buses, office buildings, shopping malls or airports. To capture this ever changing lifestyle of consumers, advertisers have increased their advertising spending on Out-of-Home Media, as evident from the Out-of-Home advertising spending increased from THB 6,557mn to THB 9,831mn, representing a CAGR of 8.4% over the past 5 years.

Figure 4: Out-of-Home vs Traditional Media Market Share Trend (2005/06 - 2014/15)



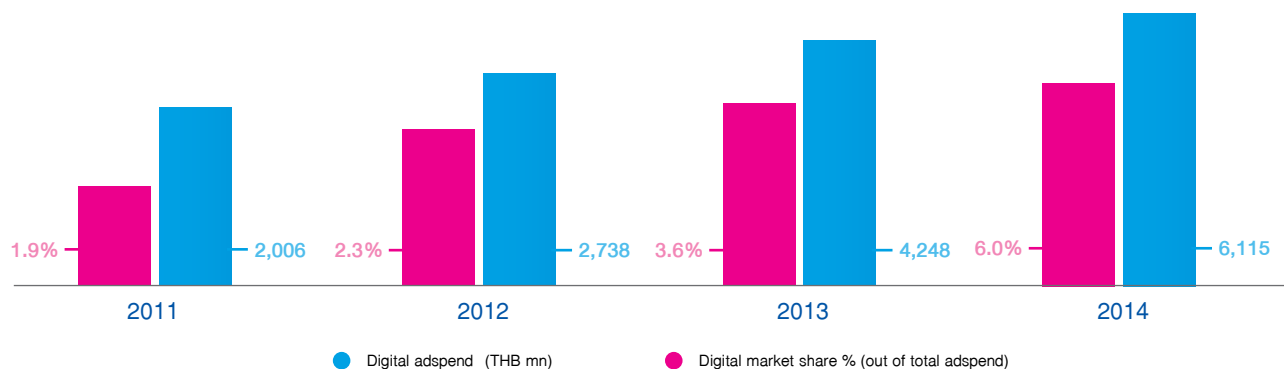
Source: The Nielsen Company (Thailand) Co., Ltd (excludes classified and house ads and cable and digital TV)

2.3 Transition to Digital Media

A remarkable change in media landscape is the increasing proliferation of digital media. According to figures released by Digital Advertising Association, Thailand (DATT), Thai digital advertising spending has grown from THB 2,005mn in 2011 to THB 6,115mn in 2014, representing CAGR of 45.0%. Moreover, the market share of digital advertising spending out of total advertising spending has increased significantly from 1.9% to 6.0%, or a 4.1% increase. Recent development in digital media is posing as a major threat to traditional media, particularly in newspaper as evident from the decline of its advertising spending from THB 15,038mn in 2010/11 to THB 13,110mn in 2014/15, a 12.8% decrease. The growth of digital media is supported by its flexibility and scalability for advertisers to deliver message to a target audience. Through its flexibility, advertisers can easily and faster deploy

marketing campaigns which reach a broader scope of audience compared to static media. Hence, digital media is becoming more time and cost-effective than other traditional media, which is one of the most critical components to keep up with the trend in the media industry going forward. Moreover, digital media allows advertisers to deliver a dynamic image which is a powerful tool that can more easily capture attention from the audience as well as evoke the sense of interaction. At the consumer-end, the ever increasing demand for instant information gives digital media the ability to keep consumers informed responsively and interactively. Hence, media owners who are able to offer advertisers media that are increasingly interactive and provide better engagement with consumers would have a competitive advantage.

Figure 5: Digital advertising spending and market share (2011-2014)



Source: Digital Advertising Association (Thailand)

3.3. Competitive Environment

There are a few local key players in Out-of-Home Media in Thailand. The table below shows the key listed players based on 2014 revenues:

Company	Revenue (THB mn)
VGI Public Company Limited*	2,963
Plan B Media Public Company Limited	1,469
Master Ad Public Company Limited	622
Aqua Corporation Public Company Limited	405
Three Sixty Five Public Company Limited	355

* Fiscal Year ends 31 Mar

In the past 2-3 years, the trend for allocating advertising budget has become increasingly fragmented across different media types since each has its own strengths and effectiveness in communicating messages to consumers, and the allocation across multiple media types often enhances the effectiveness of a single message. Advertising agencies and product owners therefore opt to employ a wide variety of media in their advertising mix that is suitable to their target groups and budget in order to create a consistent brand and product recognition, expand customer base, and reinforce brand loyalty. For this reason, competition in the media industry today is not merely to grab the market share from the same type of media but also to compete with all types of media in the industry. Companies that have media networks covering a wide range of media and reaching all target groups thus have competitive advantage in meeting the needs of advertisers, which translates into capturing more market share. Furthermore, consumers in this generation have a tendency to multitask and as a result, using a single type of media as per earlier generations no longer matches this change in consumer behaviour. As a consequence, there is increasing acceptance in combining conventional and digital media and in integrating innovative elements into these media to create an engaging and enjoyable experience for viewers.

As the number and variety of media platforms that reach all target groups increase, Traditional Media also needs to keep up with the trend since advertising agencies or media consumers are opting to pay for the most suitable media to their target group that is available in the market. Likewise, TV which has been one of the most dominant media mediums in Thailand also needs to develop its platform in order to compete with other media, particularly against those that are more flexible in integrating its product with consumer's lifestyle such as Out-of-Home Media. In 2013, TV sector was all about

“digital” as Thailand has started to liberalise its digital TV system. In terms of the landscape of media industry after the liberalisation, it is expected that advertising spending in the TV sector will be more equally distributed as advertisements will no longer be clustered in the free TV channels. In the next 3 - 5 years, the transition to digital TV will create a competitive environment in the TV sector itself as the key success of digital TV business will rely heavily on the quality of content. Therefore, the market share of the media industry is believed to follow the current trend where TV has the highest market share. Nevertheless, the TV sector will be more competitive as there is lower entry to barriers and operators have to compete in terms of the media content to stay in business.

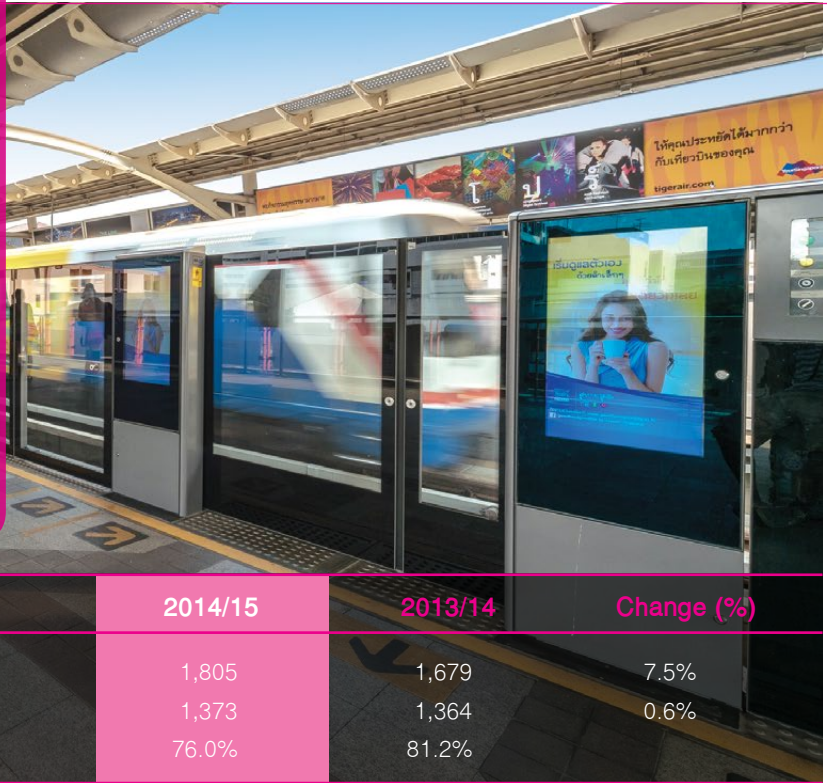
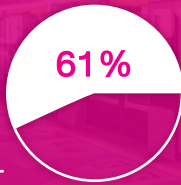
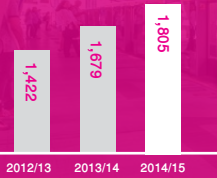
Taking into account trends such as this, the Company believes that its media network has an advantage over its competitors as its media network conforms to the modern lifestyle of consumers and interweaves itself with Out-of-Home lifestyles of consumers. Moreover, advertisers can select specific target groups in terms of geography and demography. Findings from the Company's survey show that the reason product owners and agencies choose the Company's media is due to its ability to enhance the image of modernisation and product image, to boost repeated views in order to build brand loyalty and to promote brand distinction. The Company's media is also perceived to have the ability to reach its target market effectively and to consistently communicate the properties of the product or services. In line with the Company's vision to be the leader in lifestyle media network, the Company is constantly developing its media network to response to customer demands and to keep pace with the digital change (see more information on the updated digital media in *section 3.4.3 Industry and Business Overview: Office Building and Other Media*).

3.4.1

Transit Media

BTS-related Media revenue (THB mn)

Revenue Contribution (% of operating revenue)



BTS-related Media	2014/15	2013/14	Change (%)
Revenue (THB mn)	1,805	1,679	7.5%
Gross profit (THB mn)	1,373	1,364	0.6%
Gross profit margin	76.0%	81.2%	

1. Transit Media in 2014/15

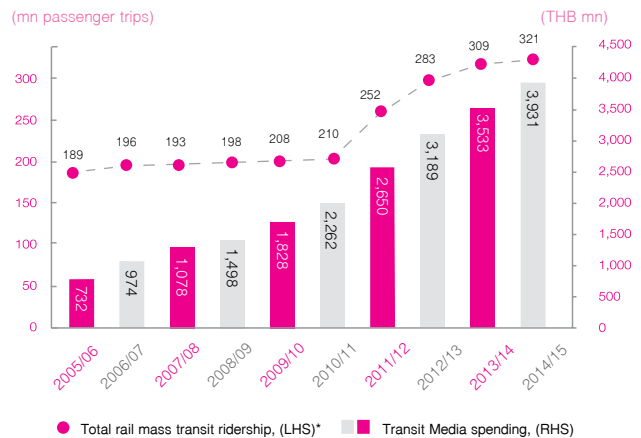
The total estimated size of advertising expenditures in Thailand during 2014/15 was THB 101,551mn, a decline of 8.4% YoY as a result of the dampened economy. Despite the overall contraction of the media industry in 2014/15, Transit Media advertising spending was one of the two media segments (following Internet media, which grew 17.1%) that demonstrated resilience, with growth in spending of 11.3% to THB 3,931mn, accounting for 3.9% out of total advertising spending.

2. Key Trends

2.1 Change in commuting patterns support Transit Media advertising spending growth

In recent years there has been a shift in media landscape brought on by the change of people's lifestyle. Bangkok commuting patterns have shifted towards increased usage of rail mass transit, as it is more reliable and is a less time-consuming form of transit. Advertisers have recognised this shift and adjusted their budget allocation accordingly. This is evident from the increase of Transit Media advertising spending, which increased from THB 732mn in 2005/06 to THB 3,931mn in 2014/15, or a CAGR of 20.5%. This increase was assisted by the growth in total ridership on rail mass transit system, which grew from 189mn passenger trips in 2005/06 to 329 mn passenger trips in 2014/15, or a CAGR of 6.1%. The positive correlation between Transit Media advertising spending and ridership growth demonstrates that more advertising spending is reallocated to mass transit sector as a result of change in commuting patterns.

Figure 1: Total ridership on rail mass transit system vs Transit Media spending

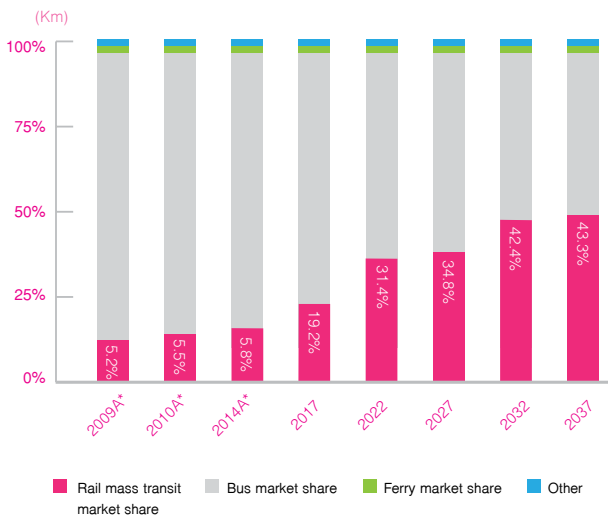


Source: The Nielsen Company (Thailand) Co., Ltd, BTSC and Bangkok Metro Pcl
 *Included BTS Skytrain and MRT Subway Ridership (fiscal year starts 1 April and 1 January, respectively)

2.2 Expansion of Rail Mass Transit Network and the Opportunity in Transit Media

The Ministry of Transport's Office of Transport and Traffic Policy and Planning (OTP) had conducted a study and forecasted that rail mass transit demand in Bangkok will start to replace bus transit demand significantly between now and 2032 driven by the expansion of rail network length. Mass transit market share in Bangkok is projected to rise from 5.8% in 2014 to 42.4% in 2032. Consequently, we expect the trend of Transit Media will continue to be popular as its key strengths are a rapidly growing audience (driven by the broader network coverage area) and the increased opportunity for it to be seen repeatedly by target groups as they tend to commute along the same routes every day.

Figure 2: Bangkok’s rail mass transit market share (forecast 2017 - 2032)



Source: OTP's transport data and model integrated with multi-model transport and logistics (TDML II) *Actual data

Currently, the route length of existing rail mass transit line is only 84.8km (including BTS SkyTrain, MRT Subway and Airport Rail Link) which mainly covers areas around the city centre. The pervasion (defined as rail mass transit length per million population) in Bangkok has reached merely 8.2km per million of the Bangkok population, far behind those of other developed countries. As such, the government has made the expansion of public transportation infrastructure a top priority on the national agenda. The latest Mass Rapid Transit Master Plan in the Bangkok Metropolitan Region (M-MAP, 2010 - 2029) outlines an aggressive plan to develop rail mass transit into a more mature network. The OTP targets to have 12 routes with a total rail length of 508km across Bangkok and vicinities by 2029. The expansion of the rail mass transit network such as the BTS SkyTrain, MRT Subway and Airport Rail Link can all expect to receive mutual benefits as the lines act as a feeder to each other, which gives potential opportunities for Transit Media companies to tap into the rail mass transit expansion network.

3.Competitive Environment

Transit Media covers all formats of advertisements that are installed inside and outside public vehicles. In Thailand, there are media companies that manage mass Transit Media are as follows:-

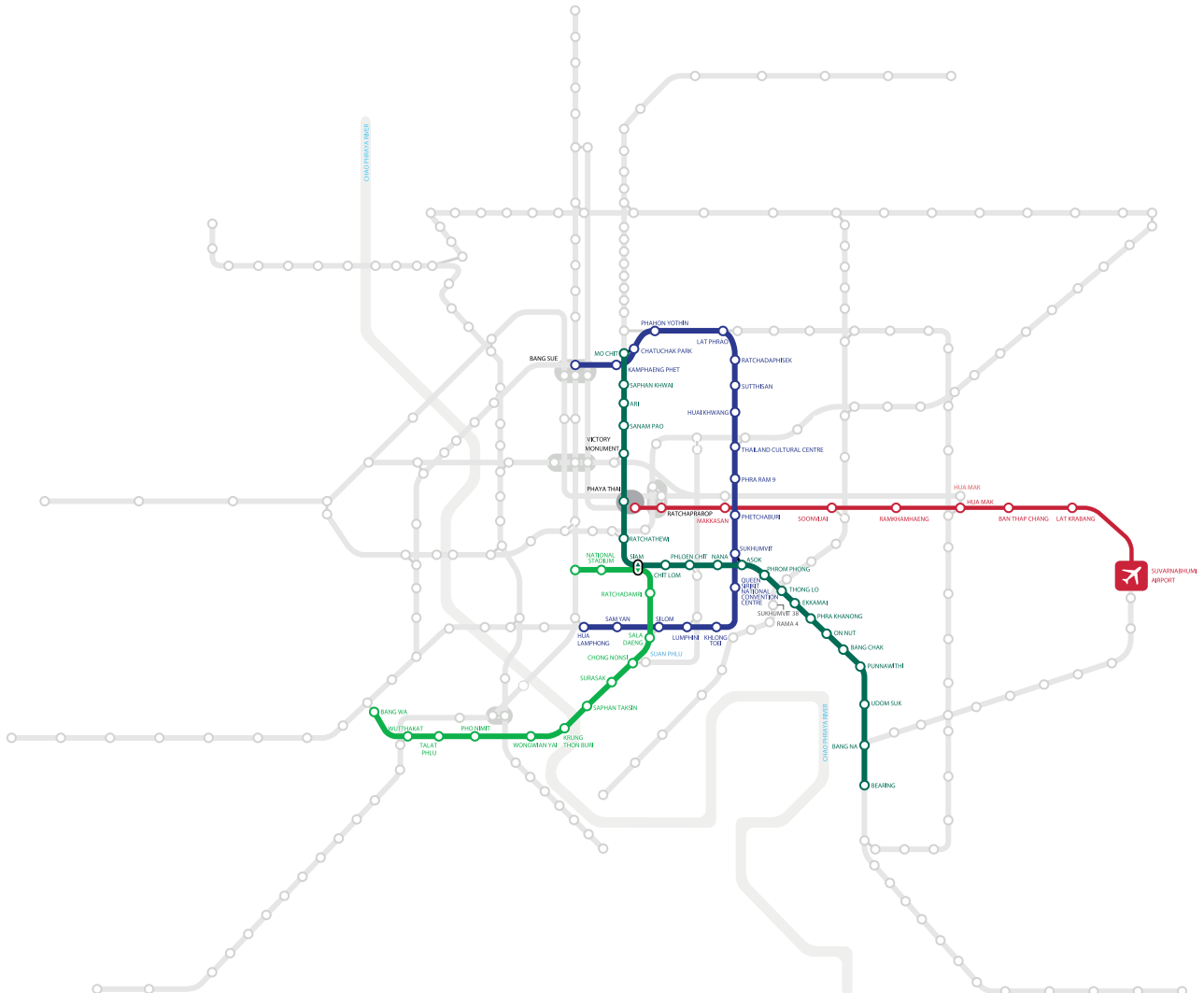
Company	Revenue (THB mn)
VGI Public Company Limited*	2,963
Plan B	1,469
JC Decaux, Thailand Co., Ltd.	n/a
Bangkok Metropolitan Network Limited	n/a

*Fiscal Year ends 31 Mar









Key players within the Thai Transit Media market are divided according to transportation type. For example, BTS SkyTrain advertising is exclusively operated by VGI Global Media, bus advertising is mainly operated by Plan B Media and MRT underground advertising is mainly operated by Bangkok Metro Network. Since BTS SkyTrain’s route is located within Bangkok’s central business district and key commercial and residential areas, the Company has competitive advantages from being strategically located, from having increasing viewership from the number of growing passengers on the rail mass transit and from being a highly effective media that caters directly to the target group.



Current Rail Mass Transit System Routes in Bangkok and the Vicinity (total of 84.8 km in 2014) and Future Routes (total of 508 km in 2029)



Existing lines (Total 84.8 km)

-   22.3 km
-   14.0 km
-   20.0 km
-   20.0 km

Future lines (Total 508 km)


 508 km (Including existing lines)

Source : Office of Transport and Traffic Policy and Planning.

4. BTS-related Media Overview

The Company possesses exclusive rights to manage advertising spaces on the Core Network, which expires in 2029 and has the first right to extend the contract. Altogether, VGI has the rights to manage 23 stations on the Core Network and all BTS trains, which run through the key commercial, residential and office areas of central Bangkok. The BTS-related Media's profile is listed below:

Number of locations	23 stations & 208 carriages
Static Media	>13,500 in-train & on-station displays
Digital Media (Screens)	753 on-station & 1,128 LCDs in-train
Viewer reach per day	673,162 people/viewers
Area coverage	CBD
Target viewer	<ul style="list-style-type: none"> • Working people and younger generation • Ages 15 - 35 • Middle income

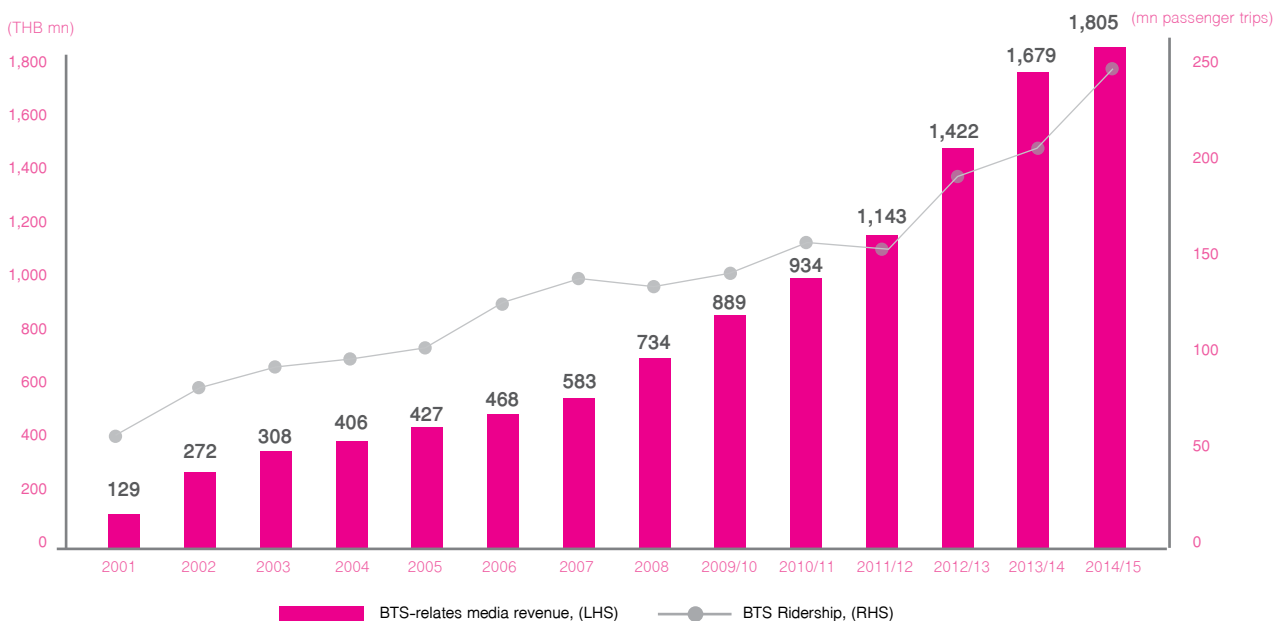


Strong growth in ridership, new train capacity, expansion of the rail mass transit network and new advertising technologies are the main contributing factors to the growth of BTS-related Media. Over the past 13 years, VGI has enjoyed impressive revenue CAGR of 22.5% from the BTS-related Media.

4.1 BTS-related Media Performance

In 2014/15, BTS-related Media represented 60.9% of the Company's revenues and 83.8% of the total gross profit. Under adverse circumstances, BTS-related Media once again demonstrated its resilience, showing a 7.5% growth to THB 1,805mn in 2014/15 compared to THB 1,679mn in 2013/14. Key growth factors were the organic growth from the increase in total annual ridership, which reached 229 mn passenger trips, and the full year effect of the increase in train capacity from 47 trains (188 carriages) to 52 trains (208 carriages). Moreover, the growth came from new media such as Platform Truss LEDs, Platform Screen Doors and E-Posters (electronic posters), which was installed across the BTS SkyTrain network since last year. Please find more detail of the performance this year in *Section 4.4: Management Discussion & Analysis*.

Figure 3: BTS-related Media Revenue vs BTS Total Ridership (2001 - 2014/15)



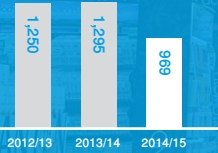
Source: BTS and VGI



3.4.2 In-store Media

Modern Trade Media (THB mn)

Revenue Contribution (% of operating revenue)



Modern Trade Media	2014/15	2013/14	Change (%)
Revenue (THB mn)	969	1,295	-25.2%
Gross profit (THB mn)	176	322	-45.4%
Gross profit margin	18.1%	24.8%	

1. Overview of Hypermarkets

In-store Media has been proven to stimulate impulse buying in both hypermarkets and small and medium-format stores. In-store media can be universally placed: outside and inside the stores, at the entrance, along walkways and on the sales floor. The media can appear in highly diversified formats such as cart ads, floor stickers, message boards, digital screens at various points of purchase, as well as event radio media.

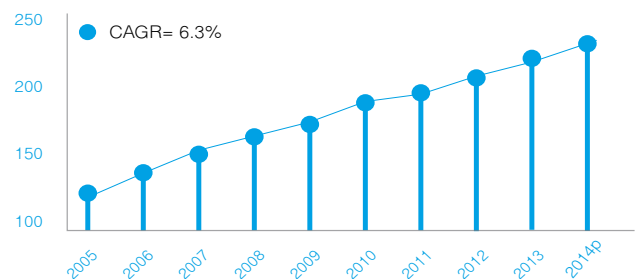
The Company had been granted exclusive rights to operate advertising media spaces in all hypermarket branches of market leaders Tesco Lotus and Big C. The Company earned income from managing the provided in-store media spaces under revenue sharing agreements. Both contracts have ceased. Tesco Lotus awarded expired contacts (period December 2014 to February 2015) to its own subsidiary, whilst the Company terminated the agreement with Big C effective from 30 April 2015.

The income generated by this business activity is classified as revenue from "Modern Trade media". In 2014/15 revenue contribution from Modern Trade constituted 33% of the Company's total revenue. Due to the Company's policy to reduce operations in Modern Trade media, future revenue from this activity will be included under the "Other media" category. Please find more details in the paragraph "Modern Trade Media Performance" below.

2. Key Trends

Modern trade (as opposed to traditional trade) stores refer to stores that provide a wider variety of products which are displayed by categories as well as multiple checkout points. Businesses in Thailand that are classified under the modern trade category are hypermarkets (such as Tesco Lotus and Big C), supermarkets (such as Tops and Home Fresh Mart), convenience stores (such as 7-Eleven and Family Mart) and department stores (such as Central, The Emporium, The Mall and Robinsons).

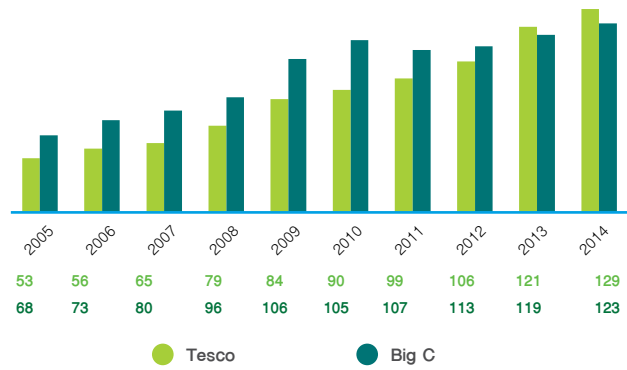
Figure 1: Department Store Sales index in Thailand



Source: The Bank of Thailand - www.bot.or.th

Remark: The Department Store sales index processed from sales in the segment including hypermarket, supermarket, department store, but excludes small-format stores, such as 7-eleven, that pays taxes to the Revenue Department, Ministry of Finance. The report shows turnover of the stores mentioning above, which are then calculated to find the annual index (base year = 2002) in the quantitative value using the consumer price index as the deflator.

Figure 2: No. of Hypermarket Branches in Thailand

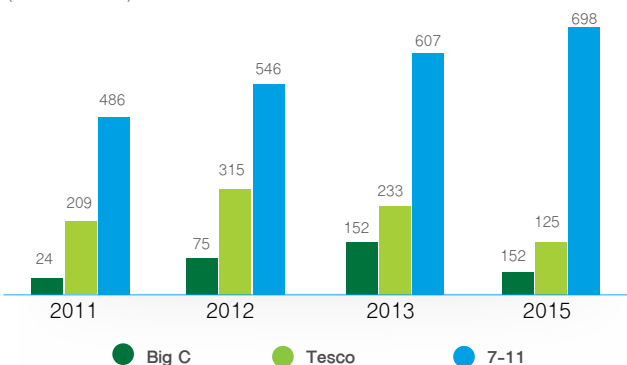


Source: Big C Supercenter PCL.
 Remark: - The number of Big C branches as if it had acquired Carrefour since 2005.
 - no. of branch includes large format and medium format at end of December each year

Since 2005 the Department Store sales index published by the Bank of Thailand is tracking the sales of hypermarkets, supermarkets and department stores. The index progressively grew at the Compound Annual Growth Rate (CAGR) of 6.3% (2005-2014). In comparison, the CAGR was reported as 7.1% for the period 2004-2013 .

Tesco Lotus and Big C reported that the number of branches increased from 53 and 68 (including former Carrefour branches) at the end of 2005 to 129 Tesco outlets and 123 Big C branches at the end of 2014. The continuous growth of Department Store sales and expansion of hypermarket branches are attributed to the change in consumers' behaviour, shifting from shopping at traditional retail shops to modern trade stores. Consumers are increasingly seeking the convenience of making use of goods and services that are clustered under one roof. Amongst others these include food outlets, groceries, home supplies, banks, beauty salons, tutoring schools, game machines and playgrounds. Due to modern trade outlets' economies of scale in procurement, supply and distribution, end-consumer product prices are often more competitive if compared to traditional retail shops.

Figure 3: Increasing no. of branches of small-format store (2011-2014)



Source: Big C Supercenter PCL., Ek-Chai Distribution System Co., Ltd. and www.cpall.co.th

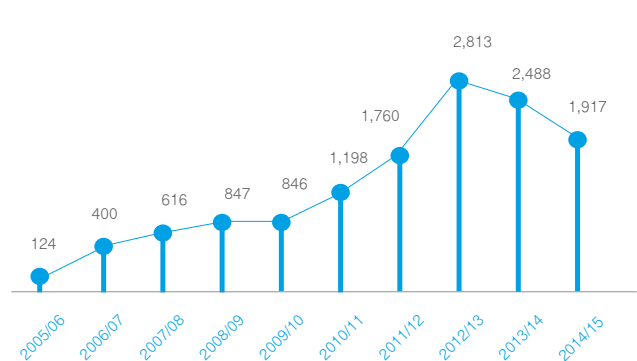
Due to existing high supermarket penetration and higher land costs in the Greater Bangkok area, recent hypermarket branch expansion tended to focus on areas outside of Bangkok. There are however limitations to the ever increasing number of outlets. In the past few years, the Thai government has tightened regulations under the "Town Plan Act" on the use of land for large format shopping centres. As a result, modern trade retailers were unable to execute on planned launches of new large format branches. Consequently, they have shifted their investments to focus on small and medium format branches instead.

Research of Kantar Worldpanel (Thailand) Co., Ltd. revealed that Thailand's economic slowdown in 2014 weakened consumer consumption. The survey's 4,000 sample size consisted of 44% urban and 56% rural respondents. The research found a reduction of the frequency of shopping by an overall 12% compared to the previous year 2013.

3. Overview of In-Store Media

In-store Media started to gain recognition since 2005, with advertising spending for this sector seeing an increase from THB 124mn in 2005/06 to THB 2,813mn in 2012/13, before dropped to THB 1,917 mn in 2014/15.

Figure 4: Ads Spending on In-store Media (THB mn)

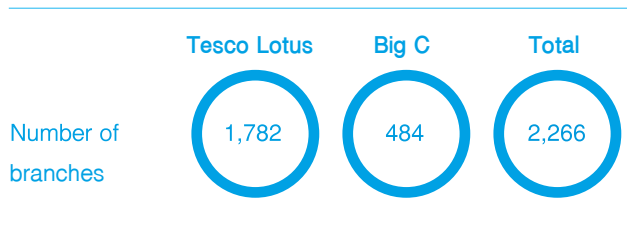


Source: The Nielsen Company (Thailand)



4. Modern Trade Media Overview

In 2014/15, the Company's Modern Trade revenues derived from exclusive rights to manage advertising spaces in Tesco Lotus and Big C. Media under management included static media, multimedia on digital screen and radio media. As of 31 Mar 2015, the total number of branches of Tesco Lotus and Big C were:



Number of locations: 2,266 stores nationwide

Media type: Static panels, Digital screens and radio

Viewer reach: Shoppers in hypermarkets

Area coverage: Nationwide

Target viewer:

- Family, Housewife
- Office workers
- Ages between 21 - 40

4.1 Modern Trade Media Performance

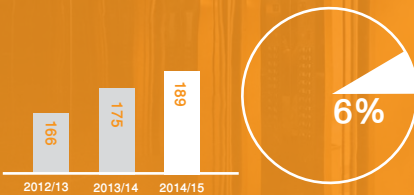
In 2014/15, Modern Trade Media revenues declined due to the expiry of Tesco Lotus contracts during the period of December 2014 to February 2015. From October 2014, the Company was granted the exclusive right to manage advertising spaces in all Big C stores. However, many non-VGI advertising media were found in spaces for which the Company had exclusive rights to manage. This led to a significant reduction in revenue and decreased profitability. The board of director's meeting no. 5/2015 reviewed and approved the termination the agreement with Big C. Written notice was given with an effective date of 30 April 2015. Please find more detail of the performance this year in *section 4.4 Management Discussion and Analysis 2014/15*.



3.4.3 Office Building and Other Media

Office Building and
Other Media
(THB mn)

Revenue Contribution
(% of operating
revenue)



Office Building and Other Media

Revenue (THB mn)

Gross profit (THB mn)

Gross profit margin

2014/15

2013/14

Change (%)

189

175

7.8%

90

121

-26.0%

55.3%

69.3%

1. Overview of Office Building Media in Bangkok

The total office supply in Bangkok in 2014 was approximately 8.3mn sq.m., with an occupancy rate of 90.7% and 400,000 sq.m. of new office spaces are expected to be completed between 2015 and 2017. Moreover, from a survey of the Department of City Planning in 2010, there were 240 buildings in Bangkok with 30 floors or higher. Office building Media is one segment within the Out-of-Home Media and one of the Company's media network categories. This network consists of digital screens which are installed inside elevators of office buildings or other waiting areas inside office buildings such as lobbies. Office building Media, particularly elevator advertisements are considered a captive media as there is limited space inside elevators. Further, the media is presented when people are usually idle; therefore, the audiences' attention on the media tends to be more focused. Moreover, advertisements in the elevators are extremely successful at being viewed frequently because they are a means of transportation and can't be avoided especially with high-rise office buildings and high traffic areas.

2. Competitive Environment

The key success factor of Office building Media is the size of the network and viewer base. To gain a sizable network, media operators need to negotiate with each building owner individually as each building is usually owned by different landlords. The Company views these conditions as high barriers to entry for competitors to step into the Company's Office Building media segment.

3. Office building and other Media Overview

3.1 Office building Media

At the end of 2014/15, the Company owned the largest Office Building media network with 103 office buildings in Bangkok under management, including 926 screens which are centrally-controlled from VGI's head office. The Company receives the rights to install and manage LCD screens in elevators in office building by entering into agreements with each office building landlord.

The duration of each contract is typically 3 years and it has sole exclusive rights during the contractual term. Other individuals are not permitted to advertise inside the elevators, at the lift lobby or within 20-30 metres from the lift lobby area. Remunerations for the landlords' building depend upon each agreement; some landlords require annual fixed rate while other landlords require revenue sharing with annual minimum guarantees.

Office building Media proved to be a resilient business unit as evidenced from 17% compounded annual growth rate in the past 5 years. This company will report the performance of this business unit as a separate unit from other media from 2015/16 and onwards.

Summary of the Company's Office Building media as of 31 March 15 is shown below:

Number of locations	103 office buildings in Bangkok
Multimedia	926 digital screens
Viewer reach	average 5,000 viewers per buildings per day
Area coverage	Bangkok
Target viewer	<ul style="list-style-type: none"> • White collar workers • Ages 24 - 45 • Middle - high income

3.2 Other Media

Aside from Office building Media, the Company has the rights to be the sole sales agent of several Mega LED Screens (both domestic and international) and Thai AirAsia's planes. The contract terms are for the duration of approximately 3 years and the Company receives compensation on a revenue sharing basis.

Moreover, the Company bid for and was awarded to manage all of the advertising spaces inside and outside Chamchuri Square, which covers more than 270,000 sqm. Chamchuri Square is a high-rise complex consisting of a commercial tower, a residential tower and a shopping mall located in a CBD area in Bangkok, where more than 150,000 cars and 400,000 people have repeated exposure to the advertising on a daily basis.

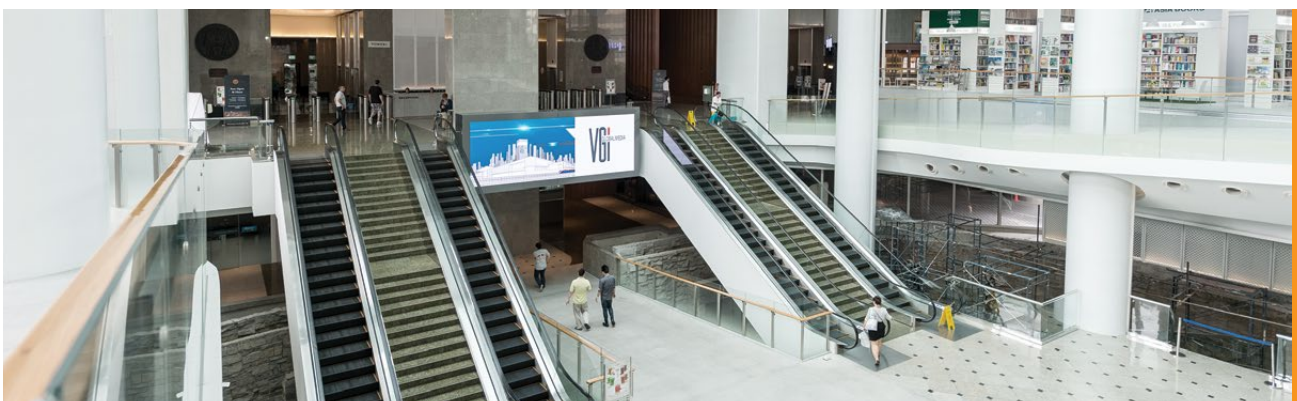
The Company continues to seek new business and projects, which will serve as a positive catalyst for the Company's future growth. In 2014/15, the Company purchased a total of 24.96% of the total issued shares in MACO in 1Q 14/15, causing MACO to become an associated company of the Company. This investment will expand our footprint in Outdoor Media segment and create synergistic benefits to the Company. In addition, the Company invested 20% in LED Advance Company Limited ("LED"), whose business is providing advertising media



service in 13 domestic airports, by subscribing to new shares in LED. The investment will also expand our Out-of-Home Media network to cover media spaces in the leading airports throughout Thailand.

3.3 Office Building and Other Media Performance

In 2014/15, Office Building and Other Media once again demonstrated its resilience despite the economic slowdown, showing a growth of 7.8% YoY, mainly due to the full year revenue recognition of the additional office buildings from the previous year coupled with revenues generated from 28 new buildings (a total of 103 buildings as of end of 2014/15). Please find more detail of the 2014/15 performance in *Section 4.4: Management Discussion and Analysis*.



3.5 Subsidiaries and Associates Information

No.	Company / Address	Type of Business	Paid-up Capital (Baht)	Total Issued Shares	Type	Share holding (%)
1	VGI Advertising Media Co., Ltd. 21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8884 Fax: +66 (0) 2273 8883	Providing advertising media service (it is a dormant company because of the expiration of concession agreement in Tesco Lotus)	10,000,000	100,000 (par value of Baht 100 per share)	Ordinary Shares	100.00
2	888 Media Co., Ltd. (formerly known as VGI Property Co., Ltd. and changed its name to 888 Media Co., Ltd. on February 16, 2009.) 21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8884 Fax: +66 (0) 2273 8883	Providing advertising media service (it is a dormant company because of the expiration of concession agreement in Big C)	5,000,000	500,000 (par value of Baht 10 per share)	Ordinary Shares	100.00
3	999 Media Co., Ltd. 21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8884 Fax: +66 (0) 2273 8883	Providing point of purchase radio media	7,500,000	750,000 (par value of Baht 10 per share)	Ordinary Shares	100.00
4	Point of View (POV) Media Group Co., Ltd. 21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8884 Fax: +66 (0) 2273 8883	Providing advertising media service in office buildings	10,000,000	1,000,000 (par value of Baht 10 per share)	Ordinary Shares	100.00
5	VGI Advertising China Company Limited Room 43A13, 4th Floor, Building B, No. 666 Beijing East Road, Huangpu, Shanghai, China Tel: +86 2152401333 Fax: +86 2152400910	Providing advertisement of Chinese products in Thailand Providing services in relation to sale, marketing and managing advertising space	USD 2,000,000	2,000,000 (par value of USD 1 per share)	Ordinary Shares	100.00

No.	Company / Address	Type of Business	Paid-up Capital (Baht)	Total Issued Shares	Type	Share holding (%)
6	<p>Midas Global Media Co., Ltd. (formerly known as VGI Muti-Tech International Co., Ltd. and changed its name to Midas Global Media Co., Ltd. on April 4, 2014) 349 SJ Infinite One Business Complex, 12th Floor, Room 1204-1205 Viphavadi-Rangsit Road, Chompon, Chatuchak, Bangkok, 10900 Tel: +66(0) 2019 5619 Fax: +66(0) 2019 5618</p>	Providing services in relation to sale, marketing and managing advertising space	262,500,000	26,250,000 (par value of Baht 10 per share)	Ordinary Shares	30.00
7	<p>Master Ad Plc. 4th - 6th Floor, 1 Soi Ladprao 19, Ladprao Road, Chompol, Chatuchak Bangkok 10900 Tel: +66 (0) 2938 3388 Fax: +66 (0) 2938 3489</p>	Providing service and producing Out-of-Home media materials	300,896,950	3,008,969,500 (par value of Baht 0.10 per share)	Ordinary Shares	24.96
8	<p>LED Advance Co., Ltd. * 11th Floor, Mercury Tower 540, Ploenchit Road, Lumpini, Pathumwan Bangkok 10330 Tel: +66 (0) 2697 9944 Fax: +66 (0) 2697 9945</p>	Providing marketing and advertising medias located at or related to aviation	75,000,000	75,000 (par value of Baht 1,000 per share)	Ordinary Shares	20.00

Remark: On May 15, 2015, the Company subscribed for 15,000 newly issued ordinary shares in LED Advance Company Limited ("LED") or equivalent to 20 per cent of registered capital of LED. Consequently, LED became the Company's associate company.

4.0 Annual Business Review



4.1 Capital Markets Review

“VGI’s share price declined by 4.4%¹ YoY underperforming both the SET Index and SET Media. Nevertheless, the Company expects to pay a total dividend of THB 1,033mn in 2014/15 which represents a dividend yield of 3.5%².”

1. Historical Share Price Analysis

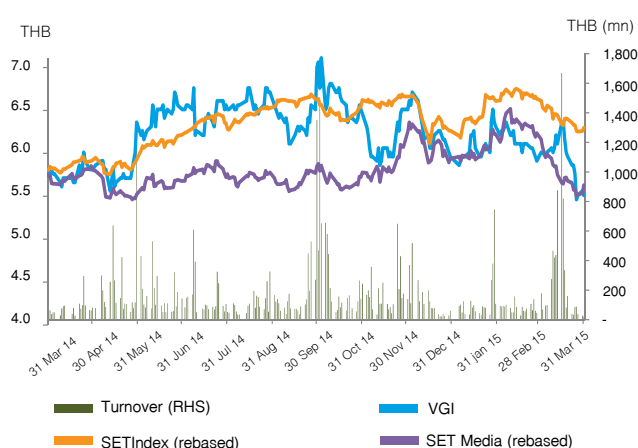
VGI’s share price closed at THB 5.45 on 31 March 2015, a decrease of 4.4%¹ YoY from THB 5.70¹ on 31 March 2014. In comparison, the SET Index grew 9.4% and the Media and Publishing Index (SET Media) fell 1.9% over the same period. Aside from events which impacted the share price as below, the Company saw continued outflow of local retail as well as foreign funds.

VGI’s share price responded to a series of positive events during the first quarter of the fiscal year, including an increase of year-on-year earnings, the dividend (cash) announcement and the first issuance of warrants (VGI-W1). In addition, the company also announced the acquisition of 24.43%³ of total shares in Master Ad PCL (MACO). With this strategic investment VGI entered the Outdoor media business.

Early in the second quarter, VGI’s share price responded negatively to concern of the dilution from stock dividend. The share price later rebound towards the end of the quarter. The announcement of a potential further acquisition in Out-of-Home Media resulted in the share price peaking at THB 7.05¹ on 3 October 2014. The stock gradually adjusted however, after the transaction did not complete.

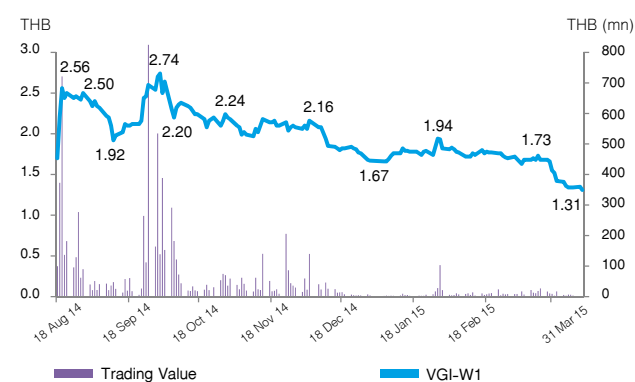
In the second half of 2014/15, VGI’s share price fluctuated and failed to match the SET Media Index. This mainly originated from a negative market reaction to news of Tesco Lotus’ contract cessation. As this was one of the key revenue contributors, the Company later announced a reduction of the top line growth target from 13% to between 0-3%. On a positive note, the Thai government announced to launch a number of projects to boost the economy. VGI was also exclusively assigned to be the selling agent for MACO’s Street Furniture. In the last quarter, the Company announced a 1:1 stock dividend allocation with the XD date set to 17 March 2015. On the same date, BTS Group increased its shareholding in VGI by an additional 103.4mn shares, or 3.0% of VGI’s total shares, resulting in share trading turnover to peak at THB 1,669.6mn that day. Although there was demand from the BTS Group, the share price continued to fall and reached its lowest point at THB 5.40 on 26 March 2015.

Figure 1: VGI Annual Stock Performance in 2014/15



Source: www.setsmart.com

Figure 2: VGI-W1 Annual Stock Performance in 2014/15 (1st day trade was 18 Aug 2014)

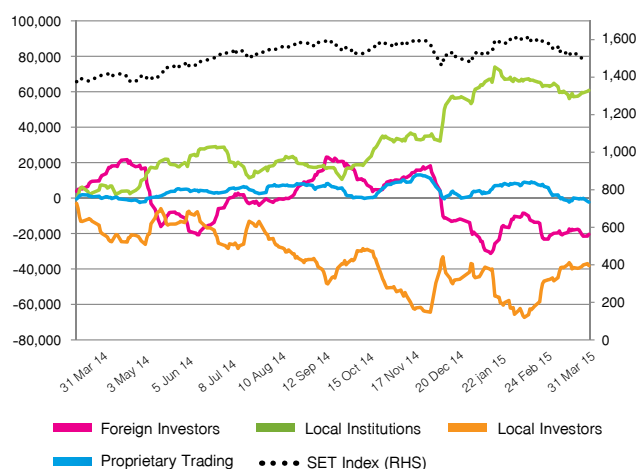


Source: : www.setsmart.com

2. Indices performance comparison

With annual growth of 9.4% the SET Index performance performed similarly to other world’s market indices in the year ending 31 March 2015. For example, The Straits Times Index (Singapore) added 8.1%, whilst the Hang Seng Index (Hong Kong) grew by 12.4%. In comparison the Nikkei 225 (Japan) outperformed most of the world’s markets increasing 29.5%.

Figure 3: Cumulative Investor Flow



Source: www.settrade.com

Figure 4: Indices performance (rebased for comparison)

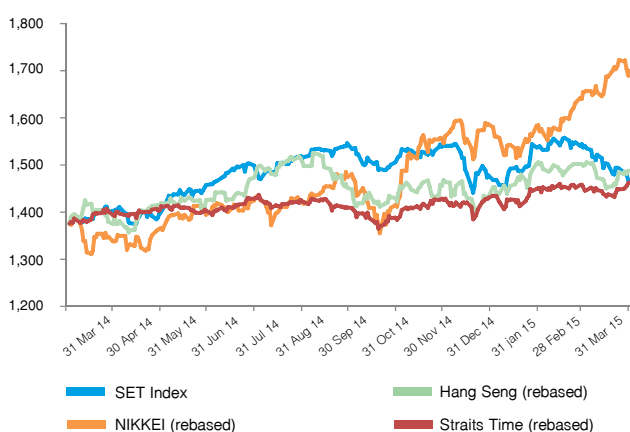


Figure 5: Summary of VGI Stock Performance and Indices in regional

	2014/15	2013/14 ⁵	2012/13 ⁶
Share price (THB)			
Year-end	5.5	11.4	131.5
Year-high	7.1 ¹	15.4	140.0
Year-low	5.4	8.4	55.0
Average daily traded value (THB mn)			
	174.3	144.9	270.9
Average daily traded volume (mn shares)			
	14.5	9.8	3.3
Number of shares outstanding at year-end (mn shares)			
	6,864.3	3,432.0	300.0
Market capitalisation at year-end (THB mn)			
	37,410.6	39,124.5	39,450.0
	%YoY	%YoY	%YoY
VGI TB	-4.4% ¹	-13.3%	+139.1%
SET Media Index	-1.9%	-20.0%	+35.9%
SET Index	+9.4%	-12.3%	+20.6%
Japan (Nikkei 225)	+29.5%	+19.6%	+45.1%
Singapore (STI)	+8.1%	-3.6%	+9.1%
Hong Kong (Hang Seng)	+12.4%	-0.7%	+6.2%

3. VGI's Trading Summary

From 1 April 2014 to 31 March 2015, VGI's shares average traded volume was 14.5mn shares per day with the average daily value being THB 174.3mn or USD 5.3mn⁴. The Company saw a 20.3% increase in average daily traded value compared to 2013/14.

¹ The Extraordinary General Meeting of Shareholders no. 1/2015 held on 11 March 2015 approved a share dividend payment at rate of 1:1 and the XD date was set to 17 March 2015. As a result, share price from XD date dropped on anticipation of a doubling in the number of shares of 6,864.3mn shares. For like-for-like comparison, share price before XD date shown are adjusted by dividing by two.

² Calculated from 1) dividend paid from the operating result of 2014/15 totalling THB 1,033.2mn, including cash dividend of THB 690mn and stock dividend of THB 343.2mn (based on par value), 2) share price at THB 4.34 per share as of 6 May 2015 and 3) 6,864.3mn shares, as of 6 May 2015.

³ First investment in MACO of 24.43% of MACO's total shares on 12 May 2014. After that the Company gradually acquired MACO shares from SET. As of 31 March 2015, the Company holds MACO 24.96% of MACO's total shares.

⁴ Exchange rate at THB 33 per USD

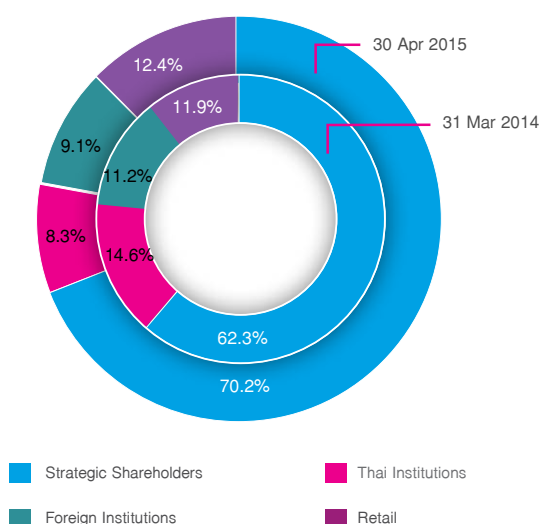
⁵ Assume that the par value is THB 0.1 per share from the beginning of the fiscal year

⁶ First trading day on 11 October 2012 compared to 31 March 2013. The share price based on par value of THB 1.0.

4. Shareholder Structure

As of 30 April 2015, the Company had 19,166 shareholders. The major shareholders are BTSC and BTSG, who owned 51.0% or 3,500.6 mn shares, and 18.6% or 1,275.2 mn shares respectively. For more details of major shareholders, please see the top 10 shareholders table. Non-Thai shareholding represented 9.2% of total shares. The Company actively engaged both Thai and overseas shareholders throughout the year. For more details, please see the subsequent heading 'Investor Relations'. The Company's free float shareholding stood at 29.8% of total paid-up capital as of 30 April 2015.

Figure 6: Shareholder by Shareholder Type



Note: - Strategic shareholders mean Directors, Management & Related Persons, Shareholders holding > 5%, shareholders who have controlling power.
- Thai NVDR Co., Ltd. is categorised in Foreign Institutions.

Figure 7: Shareholder Distribution (as of 30 Apr 2015)

No. of share held	No. of shareholder(s)	% of all shares
> 100mn	4	74.7%
> 50mn - 100mn	3	3.4%
> 1mn - 50mn	172	13.5%
100,001 - 1mn	1,156	4.7%
10,001 - 100,000	6,269	3.1%
1,001 - 10,000	8,075	0.6%
1 - 1,000	3,487	0.0%
Total	19,166	100.0%

Figure 8: Top 10 major shareholders (as of 30 Apr 2015)

Name	No. of shares	% of Total
1. Bangkok Mass Transit System Plc.	3,500,640,000	51.0%
2. BTS Group Holdings Plc.	1,275,220,092	18.6%
3. State Street Bank Europe Limited	182,184,314	2.7%
4. Thai NVDR Co., Ltd.	169,125,019	2.5%
5. Mr. Nares Ngamapichon	86,911,100	1.3%
6. CHASE NOMINEES LIMITED	82,777,237	1.2%
7. NORTRUST NOMINEES LIMITED - NTO SEC LENDING THAILAND CL AC	61,080,104	0.9%
8. Krungsri Long-term Dividend Fund	45,314,082	0.7%
9. CITIBANK NOMINEES SINGAPORE PTE LTD - CITIBANK LONDON RE FUND 208	38,548,976	0.6%
10.AIA Company Limited - TIGER	37,600,008	0.5%
Total (Top 10)	5,479,400,932	79.8%

Remark:

According to BTSG's 56-1 form, BTSC's major shareholder is BTSG, holding 97.46% of BTSC's total shares. BTSC's core business is mass transit.

As of 31 March 2015, Major shareholder of BTSG, holding 41.33%, is Mr. Keeree Kanjanapas Group, which consists of:

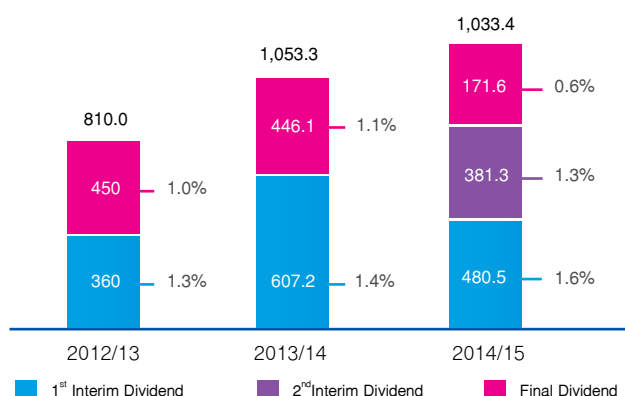
- (1) Mr. Keeree Kanjanapas holding:-
 - 3,281,164,652 shares on his own name,
 - 350,000,000 shares through the custodian, UBS AG HONG KONG BRANCH, and
 - 260,000,000 shares through the custodian, CREDIT SUISSE AG, SINGAPORE BRANCH
- (2) Mr. Kavin Kanjanapas holding 602,459,295 shares,
- (3) Ms. Susan Kanjanapas holding 32,460,000 shares,
- (4) K2J Holding Co., Ltd. holding 360,000,000 shares, and
- (5) Amsfield Holdings Pte. Ltd. holding 51,092 shares.

5. Dividend Policy

The Company has a policy to pay dividends of not less than 50% of net profit (standalone basis). The dividend payment policy takes into consideration the current cash flow and financial status, future business plan and investment capital requirement. The Company intends to pay dividends at least twice yearly. In accordance with this policy, in 2014/15 the Company paid out an interim dividend in the form of cash and stock by paying THB 0.15 per share in cash and paying a stock dividend at rate of 1 new share for every 1 existing share (equivalent to THB 0.10 per share when calculating at par value¹). The stock dividends resulted in the issuance

of 3,431,975,575 ordinary shares. For the final dividend, the board of directors has approved to propose a cash dividend of THB 0.025 per share for shareholders' approval. Assuming the final dividend is approved by shareholders, the total dividend payment for the full year translates into a dividend payout ratio of approximately 123.3% of net profit (standalone basis) for 2014/15 and a dividend yield of 3.5%².

Figure 9: VGI Dividend Record



Note: - Dividend yield is calculated using VGI closing share price one day before the date of Board of Directors meeting approving the relevant dividend.
 - 2012/13 final dividend and 2013/14 and 2014/15 interim dividend included stock dividend (at Par value) of 10:1, 25:1 and 1:1, respectively.
 - 2014/15 final dividend per share is subject to shareholders price one day before th 6 July 2015.
 - Dividend yields in 2014/15 are calculated on assumption that total number of shares of 6,864.3mn shares from the beginning of the fiscal year.

6. Other Capital Markets Activity

6.1 Issuance of Warrant (VGI-W1)

On 3 July 2014, the Annual General Meeting of the Company's shareholders passed a resolution to issue 858.0mn units of VGI-W1 to be allocated to the existing shareholders of the Company at no cost with an allocation ratio 1 warrant to every 4 existing ordinary shares. VGI-W1 was issued on 1 August 2014 and has a term of 4 years from the issuance date. The exercise ratio of VGI-W1 is 1 unit of warrant for 1 ordinary share and the exercise price is THB 14 per share.

6.2 Adjustment of exercise price and exercise ratio of the warrants (VGI-W1)

On 11 March 2015, the Extraordinary General Meeting of the Company's shareholders No. 1/2015 passed a resolution to pay a second interim dividend in form of cash at rate THB 0.011 per share and stock dividend at rate of 1 new share for every 1 existing share. The XD date (which determines the shareholders eligibility to such dividends) was set to 17 March 2015. To comply with the terms and conditions governing the rights and obligations of VGI-W1, the Company adjusted the exercise price of the warrants, from THB 14 per share to THB 7 per share, and the exercise ratio of the warrants, from 1 warrant per ordinary share to 1 warrant per 2 ordinary shares. That was effective from 17 March 2015 onwards.

SET Index Constituent Member: since the beginning of July 2013, VGI was included as a constituent member of SET100 Index. Then in January 2014, VGI was included as a constituent member of SET50 Index. The SET50 and SET100 Index comprises Thailand's largest 50 and 100 companies, respectively, by market capitalisation which also conforms to certain turnover and free float conditions. For turnover, the monthly turnover value of the company stock must be at least 50% of the average turnover for each company in the SET and for the free float, a minimum threshold of 20% of paid-up capital must be maintained. The SET re-assesses the Index constituents on a twice-yearly basis (during June and December for inclusion in the Index in July and January, respectively). As a result of the inclusion in the SET50 and SET100 Index, VGI's potential shareholder base expanded. For example, VGI automatically became eligible under certain investment funds investment criteria.

MSCI Thailand Small Cap Constituent Member: On 20 May 2013, MSCI announced VGI as a constituent member of MSCI Global Small Cap Indices, effective from 1st June. To qualify for inclusion in the MSCI Indices, a company must first meet all the necessary criteria for the MSCI Global Investable Market Indices (IMI), which comprises size-segment (in terms of full company market capitalisation), free float-adjusted market capitalisation, and liquidity requirements at the time of the review. The appropriate size-segment for inclusion is then determined from the IMI. MSCI Small Cap Indices cover all investable small cap securities with a market capitalisation below that of the companies in the MSCI Standard Indices, targeting approximately 14% of each market's free-float adjusted market capitalisation. The MSCI GIMI Indices are reviewed on a quarterly basis and the results are announced mid of February, May, August, and November.

Source: MSCI (www.msci.com) and SET (www.set.or.th)

¹ The Extraordinary General Meeting of Shareholders No. 1/2013 of the Company, held on 19 September 2013, resolved to approve the change in par value of shares of the Company from THB 1 per share to THB 0.10 per share. The new par value was effective from 27 September 2013.

² Calculated from 1) dividend paid from the operating result of 2014/15 totalling THB 1,033.2mn, including cash dividend of THB 690mn and stock dividend of THB 343.2mn (based on par value), 2) share price at THB 4.34 per share as of 6 May 2015 and 3) 6,864.3mn shares, as of 6 May 2015.

7. Investor Relations

The Company has placed a high priority on investors' access to the Company. The Investor Relations (IR) Department is responsible for communications between the Company and investors, including shareholders, analysts and potential investors. The IR Department functions as the channel for two-way communications, the first of which is to publicise the accurate, complete and timely information of the Company, which includes business operations, performance and key events that affect the Company's performance. The other aspect is to report the investment community's opinions and suggestions to the Executive Committee and the Board of Directors on a quarterly basis in order to acknowledge (and respond where relevant to) the viewpoints that investors have on the Company.

Key performance indicators are established in order to align the goals of the division with the goals of the Company. In short, these are related to enlarged visibility (such as number of meetings held, number of roadshows attended, website traffic) as well as quality and timeliness of product and service offerings (taking into account product delivery times, response times as well as results from surveys).

In 2014/15, the Company has arranged activities with current and potential investors, including analysts from securities companies. The Company met 25 domestic institutional investors, 134 overseas institutional investors, had 4 quarterly results meetings and participated twice in "Opportunity Day" with the SET. The percentage of meetings attended by top management was 90.2%. Moreover, the Company has attended 6 overseas conferences, i.e. Thai Corporate Day arranged by Daiwa Securities in Japan, Thai SET Roadshow 2014 arranged by the Stock Exchange of Thailand in cooperation with BNP Paribas Thailand in Singapore, Non-Deal Roadshow arranged by Credit Suisse in London, DB Tisco Non-Deal Roadshow arranged by TISCO Securities in Singapore, Daiwa Investment Conference Tokyo 2015 arranged by Daiwa Securities in Japan and 18th Annual Asian Investment Conference arranged by

Credit Suisse in Hong Kong. The Company also attended and arranged 3 domestic roadshows in Bangkok, i.e. db Access Thailand Financials & Media Sector Corporate Day by Deutsche TISCO, Thailand Focus 2014 by Bank of America Merrill Lynch in corporation with Phatra Securities and J.P. Morgan's Thailand Conference 2015 by JP Morgan (Thailand).

In 2014/2015, the Company was covered by 21 research companies, i.e. AEC Securities, Asia Plus Securities, Asia Wealth Securities, Bualuang Securities, Capital Nomura Securities, CIMB Securities (Thailand), Credit Suisse Securities (Thailand), DBS Vickers Securities (Thailand), FinansiaSyrus Securities, IV Global Securities, KGI Securities (Thailand), KKTrade Securities, Krungsri Securities, KTZMICO Securities, Maybank Kim Eng Securities, Phatra Securities, Phillip Securities, RHB OSK Securities, Thanachart Securities, Tisco Securities and Trinity Securities. During the period 1 January - 31 March 2015 the research was updated by 17 companies. 5 research analysts placed a "buy" or "add" recommendation, 12 placed a "sell" or "underperform" recommendation, with an average consensus target price of THB 5.96 per share.

The Company website represents one of the key communication channels with its investors and has been designed based on best IR practices. Its contents include real-time share price feeds, downloadable versions of publications and a financial calendar. The Company also provides an e-mail alert service, as to automatically alert interested investors when new material is published. Furthermore, potential investors can view recorded webcasts of analyst meetings and opportunity days which are available no later than 24 hours after the initial analyst meeting. In 2014/15, the website was mainly accessed by visitors from Thailand, USA and the UK.

For investment enquiries please contact our Investor Relations Department, Ms. Tisakorn Youngmod and Ms. Chama Savetbodi, at contact number +66 (0) 2273 8639, +66 (0) 2273 8636, or email ir@vgi.co.th

Figure 10: Investor Relations Key Statistics

	2014/15	% attended by Top Management	2013/14	% attended by Top Management
Domestic investors (Buy-side) met	25	96.0%	30	100.0%
Oversea investors (Buy-side) met	134	89.6%	113	94.7%
Domestic Sell-side met	8	87.5%	18	72.2%
Oversea Sell-side met	7	85.7%	9	88.9%
Total	174	90.2%	160	92.9%
Analyst Earning Review meeting / Opportunity day	6	100.0%	6	100%
No. of Roadshow / Conference	9	100%	10	90.0%

4.2 Risk Factors

The Board of Directors assigns the Executive Committee to manage overall risks, both internal and external, which could affect the Company's operations, to evaluate risks and to plan the Company's risk management structure, to minimize the impact of risks at the appropriate and acceptable level. Principle for the risk management is that all executives and employees possess risks in their own department and it is their duties to assess those risks and propose methods to reduce the risks. The risk assessment plan and procedure will be reported to the Executive Committee. The results of the assessed risks will be integrated into the annual business plan to determine risk management in accordance with the Company's goal, target, and strategic planning. The assessed risk management procedure and outcome of the risk management will be reported to the Board of Directors.

In this respect, the Company's risks can be categorized into dimensions such as strategic risks, operation risks and financial risks. The key risks factor that the Board of Directors has classified to be material-impact risks to the current operation; however it does not mean all risk, are as follow;

4.2.1 The Company's operation depending on a few business partners

In fiscal year ended March 31, 2015, core revenues of the Company derived from (1) providing services for advertising media and merchandising areas in the BTS SkyTrain system, which the Company is granted the right from mass transit service provider, i.e. BTSC; and (2) providing services for advertising media in the modern trade and convenient stores, which the Company is granted the right to manage advertising spaces from the retailers of modern trade, i.e. (a) Tesco Lotus, (b) Big C and (c) Family Mart. (A) Revenue breakdown for Business on BTS and Modern Trade Business was equal to 61 per cent and 33 per cent, respectively, of total revenue and (b) gross profit breakdown for Business on BTS and Modern Trade Business was equal to 84 per cent and 11 per cent, respectively, of total gross profit. Thus, the Company could significantly face negative financial and business impacts in the case that the Company loses the Marketing Service Concession Agreement between the Company and BTSC. In this respect, such concession agreement might expire or be terminated due to certain events, i.e. (a) BTSC probably exercises the right to terminate the concession agreement, if the Company is in material breach of any obligations under the concession agreement and (b) the Marketing

Service Concession Agreement between the Company and BTSC might be terminated if the contract between BTSC and the BMA is terminated, in which events to be entitled the termination right are usually provided in the normal practice for terminating agreement.

In order to mitigate this risk, the Company has a policy to expand the business into new addition areas to cover more audience, which would create more alternatives for the customers to make their advertising in more media. In the past year, the Company has added our media type and area to street furniture as well as media located on aircrafts, i.e. Thai Air Asia's aircrafts. The Company also expanded its media to upcountry and ASEAN by means of being sales agent of (i) LED installed at provincial clock towers and (ii) LED located at Lao People's Democratic Republic.

4.2.2 Dependency on the large advertising agencies

The Company's customers can be categorized into two groups which one is media agencies and another is product owners. Generally, product owners would rely on media agencies to provide strategic on advertising planning, to make budget plan for advertising and to select and allocate the types of media for their advertising. At present, the Company has more than 20 media agencies as customers, in which the Company's revenue contributed from the top 5 media agencies is approximately 57.09 per cent of the total advertising income. The Company, therefore, probably faces a risk if those media agencies have not recommended their direct customers or allocated budget for using advertising service of the Company.

However in the Company's revenue portfolio, the Company has not relied on any media agency which more than 25 per cent of the Company's total advertising income. Moreover, the Company strongly believes that with our widespread media network, it is able to reach modern lifestyle of people, which results to have a broad customer base that cover all target groups of products and services; whether occupations, gender, age, financial status, prominence and powerful attraction of an interest of the audiences in those areas, they cause more advantages for the Company over other types of media. In addition, the efficiency of media as accessing to the targeted audiences and all-round visibility in the daily life are the advantages of the Company's advertising media which would properly fulfill the customers' need both in an effective and valuable ways of advertising budget. This would contribute



to strong possibility that the Company's media business will be growing in popularity which would result in the fact that the Company can maintain its market share on the media business in the long run.

4.2.3 Performance of advertising business in varies by the overall economic of the country

Tendency of media advertising business is greatly varying by the overall economic situation of the country. When the economy is on the up-trend, the advertising budget from advertiser will be increased according to the consumers' spending. That will reflect in a higher income for media service providers. On the other hand, when the economy is on the down-trend or there is some situation that affect on the consumers' confidence, the consumers' spending will be lower. That would normally affects in a cut on advertising budget of the advertisers which immediately affect on revenue of media service providers. In this respect, current structure in the advertising industrial sector has been changed from the past, of which the advertisers have tended to allocate their advertising budget to new media types which more largely cover the target group and has high visibility in the daily life, for instance, mass Transit Media. It then has more significant growth than an overall advertising businesses. This is consistent with the Company's types of business that focuses on the modern lifestyle media, i.e. travelling by the BTS SkyTrain and working in office buildings.

Political situation during the end of year 2013 to the mid year of 2014 has negative impact on the overall economy of the country, especially decreasing in consumers' spending which causes a decrease in advertising budget; however, the Company believes that with the location and characteristic of the Company's media, especially Business on BTS, has been affected for a little. Moreover, to increase our business opportunity, the Company, with the recession economic situation, attempts to expand the Company's media network to other new media and expand into the overseas business.

4.2.4 Investment expansion

The Company has strategy to expand into to new business both in Thailand and overseas. In this regard, the Company considers the project which has high potential and selects the potential strategic partner as well as invests in certain businesses of which the Company has an expertise. All of these would lead to the Company's long-term growth. Before making each investment, the Company will provide and present feasibility study on 3 assumptions; (a) base case, (b) worst case and (c) best case; to the Board of Directors or other persons authorized by the Board of Directors for consideration.

In considering this, the Company has taken the greatest benefit of the Company and shareholders into account.

In the past year, the Company has acquired shares of MACO, who is leading company engaged in billboard media business and Out-of-Home advertising business, in order to expand the media network of the Company, which allows the Company to better respond to market's demand and the difference of consumer targets and to increase in synergy on the Company's sales side as well as potential for increased cost efficiencies over the long term. Those results to increase in return to the shareholders.

4.2.5 Business operations depend on specialized personnel and person who has good relations with the customers

Advertising media business is a service business which depends on people to keep contact and offering services to customers, both media agencies and product owners. Thus, the personnel in sales and marketing divisions, including the management, must maintain good relations with the Company's customers. Moreover, the Company must depend on the management and personnel who are competent, have the great expertise and wide experience in the advertising business in order to effectively manage to bring the best benefit of optimizing the use of the advertising area and to develop creative types of media to well reflect the product owners' need. Thus, if the Company cannot keep and remain the management and personnel in the Company, it is likely to have negative impact on the Company's business operations. For that reason, the Company has given priority on development of human resources continuously by encouraging the good team work of which any team member could work instead of other team members all the time. In addition, the Company has provided training courses to its personnel on the annual basis which could develop their potential. Moreover, the Company has also encouraged the management in the middle level to participate in making the Company's business plan in order to stimulate job satisfaction and increase knowledge and experience which might reduce the people's dependency. Furthermore, the Company has stressed the importance of remuneration and benefits as given to its personnel by comparing with other companies in the same industry. For the executive management, the Company is in the process of implementing the succession plan for preparing itself to build the new team of management in order to support the growth of business of the Company in the future.

Moreover, in order to have the clear target and efficient management in human resources, in the past year, the Company has conducted employee satisfaction survey and found that on the whole, employees have their satisfaction and great expectation of working with the Company.

4.2.6 Dependency on few service provider in maintenance the technological network

The advertising media under the Company's management are static media and multimedia. For the multimedia, the Company uses central control system which some system are imported technologies. Maintenance for those technologies must be carried out continuously, resulted to high maintenance expenses. Additionally the Company's staff still lack of skill to carry on the the complex maintenance and repair works, such as the system, development of software and system network. As a result, the Company has to depend on the service provider outside the Company for the maintenance of the system network. Thus, the Company might have risk, if the service providers abandon their job or carry out the maintenance which is not in compliance with the agreement between the Company and the service provider which cause discontinuity in the system network and therefore lead to the loss of the Company's income.

However, the Company uses difference system for controlling the media in each business lines. Therefore, a failure of one system would not affect the other systems. Moreover, the Company recruited the permanent employees who are knowledgeable and have competent to solve the problems of the existing control system. Moreover, the Company has examined the service providers to check that (1) they keep the inventories safely; (2) the system is stable; and (3) their operation and service is international standard. The Company also compared standard of the service provider with others and found that our service provider are reliable and acceptable by other leading companies.

4.2.7 Growth of income generated from advertising media varies by the number of persons who use service of the Company's landlord

An increase of the number of passengers on BTS SkyTrain is the key factor for considering the allocation of advertising budget, both an increase in using more advertising space and in paying advertising fees at the higher rate. Thus, when there is any factor having the negative impact on the number of BTS passengers, for instance, a political protest or demonstration, it might adversely affect the Company's incomes as well as the negotiating power to increase the rate of advertising fee. However, the Company believes that this risk is quite low, because (1) the current BTS SkyTrain's route pass through business centres in Bangkok which connect to the other types of transit, e.g. the MRT, BRT, the airport rail link, etc.; and (2) the development of new real estate project are along the BTS route which would result in an increase in the number of commuters.

4.2.8 The change of advertising law

The Company has policy to continuously follow up the change of law regarding advertising business in order to prevent and prepare itself if there is any changes of relevant law which might affect the Company's business. Moreover, in order to comply with the law, Legal division of the Company has examined advertising contents before the Company has publicized them on the advertising space.

4.3 Social, Community and Environment Responsibility

The Company's Group, as a leader of innovative lifestyle media networks, gives priority to business operation, in which it is one factor indirectly affecting environment and social. The guideline of the Company's Group regarding social and environment responsibility is therefore always conducted with the social conscience, from main policy of the Company's Group to the levels of operations, including in every unit of the Company's Group organization. In our belief, if there is achieving synergy among business organizations which drives our society with the good conscience to all extent in order to achieve a long-term goal that would lead to significant benefit and sustainable development in our community and nation to a large extent.

For long-term goal, the Company's Group pays attention to the following issues:

1. Corporate Social Responsibilities In Process

- The Company has policy to support its media for social contribution by publicizing details of social contribution through various media, in which some are for special media rate or some are for free, e.g. campaign "End Violence Against Children" with concept of "Raise with Understanding, Stop All Forms of Violence" launched by UNICEF.
- For the purpose of creating quality of life in workplace, internal environment management in our workplace is conducted, e.g. arrangement of proper surroundings and working atmosphere, annual big cleaning day;
- Implementation of environment and society, e.g. reducing the use of paper by utilizing both sides of paper sheet, reducing the use of printing ink by using less color print, reducing the use of energy by turning off unnecessary lights and not using light during lunch break, changing in light bulb installed in media light boxes, from fluorescent to LED;

2. Corporate Social Responsibilities After Process

- Social contribution, charity events and promotion of social sharing activities are to return our contribution back to the society, e.g. the set-up of VGI Volunteer Club, which is voluntarily initiated by the employees of the Company's Group, aiming to fulfill wishes of children in remote area in the way of constructing school buildings, donating book, stationery, scholarship, and other necessary educational materials, including tree planting in "One Day, One Thousand Smiles" Project to be a base for children's career path in the future.

From those long-term goals, corporate social responsibility operations of the Company's Group, therefore, have been implemented as follows:

(a) Fair business operation

The Company's Group emphasizes on the importance of keeping customers informed of the effectiveness and quality of the media under managing by us in order to open chances to the customers to consider the worth of money before making decision of using our media by conducting research among consumers by checking the effectiveness, uniqueness, attractiveness and influence on consumers' behaviors to make their decisions to buy products. In this respect, we have assigned the research company with the high level of expertise to conduct research every 2 years, and then we apply the research so as to improve our media for effectively responding to our customers' need and to be the basic information for our customers to make their decision based on the complete information.

(b) Anti-corruption

The Company's Group has policy to conduct our business operations with ethic and would maintain corporate social responsibility and be responsible for every stakeholder with the principle of good corporate governance and business ethics. The Company's Group is opposed to all forms of corruption and bribery and has policy to encourage the employees to abide by the laws and be good citizen of the country, as well as to encourage our business partners to conduct business legally and transparently, with the aim to conducting cooperativeness for social sustainability.

In this respect, the Company has determined the policy and guideline against anti-corruption and bribery and communicated to the employees. Such policies have been implemented, e.g. in case of selecting contractor to provide service to the Company, the Company is required to consider job description together with quality and reasonableness of cost, by comparing proposed cost and quality of each contractor. The Company also has channel to whistle, if any suspicion that may lead to engaging in corruption and bribery are founded (details of which can be seen in 5.2. Corporate Governance Policy under topic Anti-Corruption and Bribery).



(c) Respect for human rights

The Company's Group places an importance to human rights respect, by becoming aware of equitable treatment without discrimination of any kind pertaining to race, religion, gender, marital status or physical ability, in which they are reflected by the Company's Group employment opportunities

From those 466 employees, there were 54 employees working with the Company for over 10 years and 95 employees working with the Company for 5 - 10 years, equivalent to 12 per cent and 20 per cent of total employees, respectively.*

Moreover, the Company has determined criteria regarding choosing of business partner by having systematical screen, which can be examined and also complying with the international fundamental principles of human rights.

Details of the employment of the Company's Group

Types of Employment	March 31, 2013	March 31, 2014	March 31, 2015
Male (persons)	328	343	294
Female (person)	147	171	170
Disable (person)	1	2	2

(d) Fair labor treatment

The Company's Group appreciates that the employees are significant part of the Company's Group. The Company's Group therefore treats every employee equally and fairly, especially policy on employees' remuneration, in which the Company's Group will consider base on (i) working condition and job description, (ii) business performance of the Company's Group and (iii) employees' performance. In order to motivate the employees as well as to create fairness in the organization and in comparing with other companies in the same industry, there are job evaluations in every position, line of command as well as salary structure arrangement that have been updated on annual basis.

Moreover, to develop the employees' potential, the Company's Group focuses on employees' training and development, in functional training aspect, as well as gives priority to existing employee for his/her furthering development of career path, in case where there is a vacant position. Apart from such training and development, to develop quality of life, the Company's Group has provided "Life Coaching" training course, in which the Company's Group believes that with the power driven from the family, which is small and strong institution, it will bring our organization and society stronger as well. In addition, for making employees maintain and follow the disciplines, the Company has provided rules and regulations on human resource management in written, which specifies guideline on managing human resource, e.g. employees' discipline and its sanction, submission of complaint.

Furthermore, in order to create awareness and to encourage employees to participate in the Company's activities, the Company realizes that good communication will create effectiveness and good relationship among employee. Therefore, the Company has always encouraged employees to access to information via various channels, e.g. Love & Share Board, Popup website, Intranets, seminars, meetings.

Additionally, the Company's Group has established the Core Competency System as a policy and guidelines on driving more effective operations so that the Company would achieve the corporate vision, mission and objectives as specified, which comprise of the following 3 principles:

1. Customer Focus: The behavior, both internally and externally reflecting the Company's operations which respond to requirement and great satisfaction of the customers.
2. Responsibility and Reliability: The behavior reflecting the responsibility for the work which has been assigned so as to achieve qualified success.
3. Planning: The behavior reflecting the ability to forecast events in the future, well preparation in order to support the Company's operations in the future with prudence and effectiveness.

* Number of the Company's employees reduced to 286 after the cessation of Modern Trade Business..

As of 31 March 2015, the Company had total no. of employees of 466 employees. Details of the number of training hours, leaves, accidents and labor disputes of the employees in the previous year are as follows:

Average Training Hours of Employees per year (hours)	Average day of Sick Leave, Business Leave and Annual Leave per year (days)	Other types of Leave (times)	Accident and sickness incurred from working (times)	Legal dispute (times)
24.02	12	12	-	-

Moreover, in the past year, (1) the Company has conducted employee satisfaction survey, with target to preserve our value resources, which the Company gives high priority because it enable the Company’s sustainable growth. From the survey, it was founded that employees are satisfied and have great expectation of working with the Company. (2) The Company has conducted internal process survey, so as to review to problems and obstacles as well as the employees’ suggestions, with the purpose of improvement for each Company’s part. The overall survey result is that satisfaction on internal service by each division is moderate.

(e) Responsibility towards customers

The Company’s Group emphasizes on the importance of the media of the Company’s Group to meet standard requirement, especially the safety, whether in process media installation, media attention. The Company’s Group has continuously studied, evaluated and improved any impact on the consumers regularly whether by means of conducting survey or evaluating. For example, the Company on a regular basis has measured noise levels creating from digital media in the BTS trains in order to avoid noise pollution; the Company has continuously inspected the strength of the advertising media as installed which might fall onto the floor and injure people. Provided that, in the past year, there was no any accident incurred from media owned by the Company’s Group.

- Promoting campaign regarding drink don’t drive, namely “Safely Drive without Alcohol during Songkran festival”, to campaign the drivers not drink while driving, through mega LED screens in provincial clock towers; and
- Granting area to place donation boxes on BTS stations and making donation to charity, namely “Get Pink”, launched by Queen Sirikit Centre for Breast Cancer Foundation under Royal Patronage of Her Majesty the Queen, with the purpose of creating awareness of the importance on examining breast cancer as well as to engage people in joining our good cause of providing holistic care and support to breast cancer patients.

Apart from those, the Company’s Group gives priority on media content shown and/or broadcasted to the audiences by reviewing it to be complied with the applicable laws and moral. The Company’s Group also broadcasts the contents that are benefits to the society, for example, news and reports of current situations in the form of multimedia on BTS stations so that passengers can update news and relevant information during their travelling. In the past year, the Company cooperated with Workpoint Entertainment Public Company Limited to broadcast popular variety television program, namely “Pris Sa Na Sai Fah Lab”, in which currently broadcast in Workpoint channel, on 200 LED screens in BTS Skytrains and its stations, to provide entertainment to passengers. The Company also provided support via our advertising media to various projects, as follows:

- Promoting campaign “End Violence Against Children” with concept of “Raise with Understanding, Stop All Forms of Violence” launched by UNICEF, to create awareness of the effect arisen from violence to youngster and to urge parents or guardians to change their attitude and stop all forms of violence against youngsters and suggests how to raise their children properly;



(f) Responsibility for the environment

With the purpose of environmental conservation and electric saving, as well as cost saving, the Company’s Group has continuously carried out various plans to save energy, as follows:

(a) Conversion of lighting system installed in static media on BTS stations

For the purpose of quality improvement of advertising display, increase in lifespan and cost effectiveness, the Company has replaced the lighting equipment in advertising display on BTS Skytrain station from fluorescent lamp to LED lamp, in which lamp-specification comparisons are as follow:

Fluorescent	LED
216 Watts per sign	70 Watts per sign
Lifespan of 10,000 - 12,000 hours	Lifespan of 50,000 - 70,000 hours
The light intensity of 710 candela per square metre	The light intensity of 200 candela per square metre
Average Electricity charge for 1 year = Baht 15.60 million	Average Electricity charge for 1 year = Baht 6.80 million

For those removed and changed fluorescent lamps, the Company has separated deteriorated fluorescent lamps and has delivered them to the manufacturers which have a division responsible for garbage disposing in relation to fluorescent lamps so as to eliminating or recycling. For fluorescent lamps which are still in good condition, the Company will make donations of some fluorescent lamps and keeps the rest for the Company's internal use.

(b) Energy and office stationery saving

The Company supports energy and office stationery saving by various means, e.g., using two sides of the paper for printing, filing and safe-keeping information in the electronic form, reducing color printing ink, energy preservation by reducing numbers of lamps, switching light on when necessary, and switching off during lunch breaks. In this respect, the Company informs the employees by training, setting up Popup Website to campaign for those policies, and disclose via Intranet of the Company as well as follow up the result of the operation and makes reports to the Executive Committee regularly.

From those campaigns, energy and office stationery saving during past 3 years can be summarized as follows:

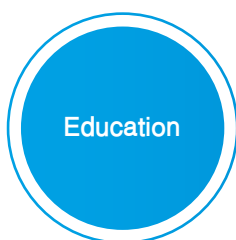
	2012/2013	2013/2014	2014/2015
Revenue (Million Baht)	2,872.87	3,149.04	3,063.34
Paper usage (Ream)	2,761	2,895	2,636
Electricity (Units)	606,767	614,723	643,628
Cost of color printing ink (Baht)	1,025,537	1,311,580	730,100
Cost of black and white printing ink (Baht)	388,598	344,433	359,606

Moreover, the Company has developed system regarding human resources management, resulted to that the Company can notify salary payment via electronic channel without payment slip, in which it can reduce usage of carbon paper, as well as the Company's cost; however, the employees can request payment slip from Human Resource Division, in the case where the employees need it in document.

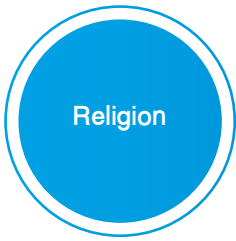
(g) Responsibility for community and social development

The Company's Group participates in and supports the community by bringing prosperity to the community so that it can be sustainably self-sufficient via cooperation of the employees of the Company's Group (namely "One Day, One

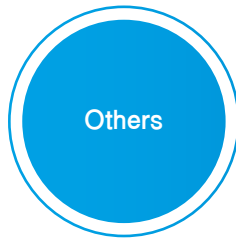
Thousand Smiles" of VGI Volunteer Club, which is voluntarily initiated by the Company's employees), business partners in various way of collaboration, e.g. education, religion and others, as follows:



- Building a library, making a donation to support library activities as well as making a donation of sporting goods, text books and educational kits to school located in urban (i.e. Ban Huapuang School, Nakorn Sawan province)
- Making donation of text books and educational kits at North Blind School, Chiang Mai province



- Broadcasting Buddhism in multimedia of the Company on Buddhist holy days and important religious days throughout the year
- Making donation for constructing Buddhist religious places so that they can be religious places for Buddhists and community to conduct religious rites (i.e. Tawornjittatavaro-Wongmalai Foundation, Savikasikhalai Mahavichalaidhama at Satién Sathan)
- Making donation for building sermon hall in a monastery and Buddha at Chiang Mai temple
- Setting up an activity for BTS passengers to be a volunteer to take the blind to join Dharma practice at Satiendhamasathan for 3 days and 2 nights - an activity of giving good opportunity to the socially underprivileged groups



- Carrying out a project to support the flood victims in Thailand by putting donation boxes at BTS stations, joining with manufacturers in packing goods in survival bags and delivered to those who lived in flooded areas in Chacheungsao province, regardless of the high-flooded area or flood victim supporting centers, with full supports of 11th Infantry Battalion (King's Guard)
- Making donation of unused scrapped advertising light boxes made from aluminum to have them produced prosthesis (under HM the King Patronage) for the handicapped

In the past year, the Company's Group has participated in the following projects to develop community and social as follows:

(h) Responsible for innovation and Publicity of Innovation from CSR Operations towards society, environment and stakeholders

The Company and BTSC mutually installed platform screen doors on 9 crowded BTS stations, i.e. Siam, On Nut, Sala Deang, Asok, Victory Monument, Phaya Thai, Chit Lom, Phrom Phong and Chong Nonsi, for the purpose of increase safety measures for BTS passengers, i.e. platform screen doors will opens once BTS Skytrains closely park and BTS Skytrains' doors has opened already. It will close before BTS Skytrains' doors close. In respect of this, BTS SkyTrains' doors will not open if BTS Skytrains does not park at marked point. From this investment, the Company can seek revenue from media installed on platform screens doors, in which in the past, the Company has revenue contributed from this media in approximately amount of Baht 61.40 million. In this respect, the Company is developing its system to have more gimmicks so that it will be able to attract the passengers.



- 1 Making donation of unused vinyl and clothes owned by the Company to Kasem Sum Ran temple, Ubon Ratcha Thani province, to be reused as roof and wind-screen;



- 2 Supporting campaign "Power of Little" launched by UNICEF Thailand, to help impoverished children; and



- 3 Making donation in form of cash and things to campaign named "Devoting, Relieving and Feeding Children" at Office of Non-Formal and Informal Education of the Hill Tribe people at Convent of Yan Pim Si Karn, Sangklaburi district, Kanchanaburi province.



4.4 Management Discussion And Analysis

Media Industry And Business Impact Analysis

Economic activities in Thailand continued to slow down in 2014 as a result of the decline in annual government budget spending, contraction in exports as well as private investments and also other factors attributed to domestic consumption slowdown. These situations caused Thailand's GDP to grow merely 0.7%¹, a significant drop from 2.9% growth recorded in 2013, resulting in 8.4%² decrease in the total Thai advertising spending. Despite the adverse circumstances, BTS-related Media and Office Building and Other Media once again demonstrated their resilience, showing YoY growth of 7.5% and 7.8%, respectively. These media outperformed the declining growth of other media sectors in the advertising industry, mainly due to the continued ridership growth and ability to reach its target market effectively (please refer to *Section 3.4: Industry and Business Overview for more detail*).

Modern Trade Media revenue declined by 25.2% mainly from 2 factors: 1) the expiry of Tesco Lotus contracts during December 2014 and February 2015 and 2) the Company's decision to prematurely terminate the contract with Big C as many non-VGI advertising media were found in the spaces in which the Company had exclusive rights to manage. Moreover, Big C was unable to resolve the aforementioned matter in accordance with the contract obligations, leading to significant reduction in revenue and decreased profitability. Thus, provision of initial damages incurred from terminating the agreement with Big C of THB 215mn (before tax) has been set aside in 4Q 14/15. As a result, this caused the Company's operating revenue to reduce by 5.9%, missing the target revenue growth of 0-3%.

2014/15 Key Developments

Bts-Related Media

- Began selling E-Posters on prime stations across BTS SkyTrain network (total of 23 panels) since April 2014.
- Began selling media on the new five 4-car trains (20 carriages) since April 2014.

Modern Trade Media

- Gradual expiration of Tesco Lotus contracts from December 2014 to February 2015.
- The Company decided to discontinue operations in Big C and FamilyMart (static media only) effective from 1 May 2015 onwards.

Office Building and Other Media

- Added 28 new contracts into the Office Building portfolio, totaling 103 buildings (926 screens) under management. The Company also expanded its media spaces in office lobbies and installed a 234 sq.m. LED screen outside of Empire Tower.
- Appointed to be the sole selling agent for Thai AirAsia's planes in May 2014.
- The Company invested and managed media network of 4 LED screens (total of 981 sq.m.) around Victory Monument.
- The Company bid for and was selected to manage all of the advertising space inside and outside of Chamchuri Square, which covers more than 270,000 sq.m.

Expanded The Footprint Into Outdoor Media

- The Company expanded its media footprint by investing in a total of 24.96% of the total issued shares in MACO, causing MACO to become an associated company in the Company.
- The Company was appointed to be the exclusive media sales agent for MACO's street furniture.

Dividend Payments

- Interim cash dividend of THB 0.14 per share (a total of THB 480 mn) paid on 30 January 2015.
- Stock dividend of 1 existing shares for 1 stock dividend (THB 0.10 per share) and THB 0.011 per share paid on 31 March 2015. As a result, the total common paid-up shares increased from 3,432mn shares to 6,864mn shares.
- On 6 May 2015, the BOD resolved to approve the cash dividend payment from the operating results of 2H 14/15 at THB 0.025 per share (a total of THB 172mn). The total dividend payment from 2014/15 operations will be equal to THB 1,033mn including cash dividend of THB 690mn and stock dividend of THB 343mn (subject to the resolution of Annual General Meeting of Shareholders, which will be held on 6 July 2015).

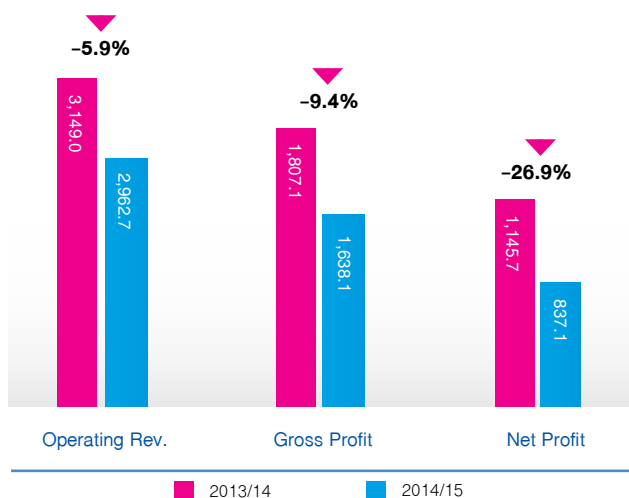
¹ Source: www.nesdb.go.th (January - December 2014)

² Source: The Nielsen Company Limited Co., Ltd. (April 2014 - March 2015); excludes Digital TV and Cable TV

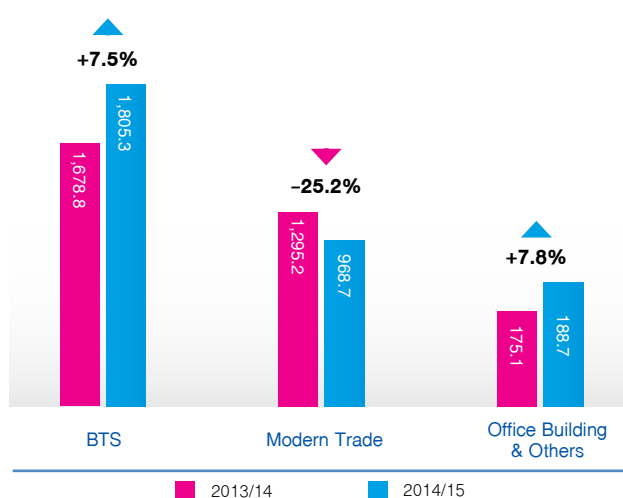


2014/15 Performance (Year-On-Year Analysis)

Operating Revenue and Profit (THB mn)



Segmental Operating Revenue (THB mn)



In 2014/15, the Company reported **revenue from services** of THB 2,962.7mn, decreasing THB 186.3mn or 5.9% YoY. The decline was from Modern Trade Media, which was significantly impacted in the second half of the year from the gradual expiration of Tesco Lotus contracts from December 2014 to February 2015. In addition, the Company decided to early terminate the contract with Big C due to the reasons explained previously. Nevertheless, this was offset with **BTS-related Media** and **Office Building and Other Media**, which continued to grow resiliently from the previous year by 7.5% and 7.8%, respectively.

Cost of services-to-sales-ratio increased to 44.7% from 42.6% in the previous year as a result of higher depreciation expenses of new digital media on BTS stations coupled with higher services-to-sales-ratio of Modern Trade Media against the

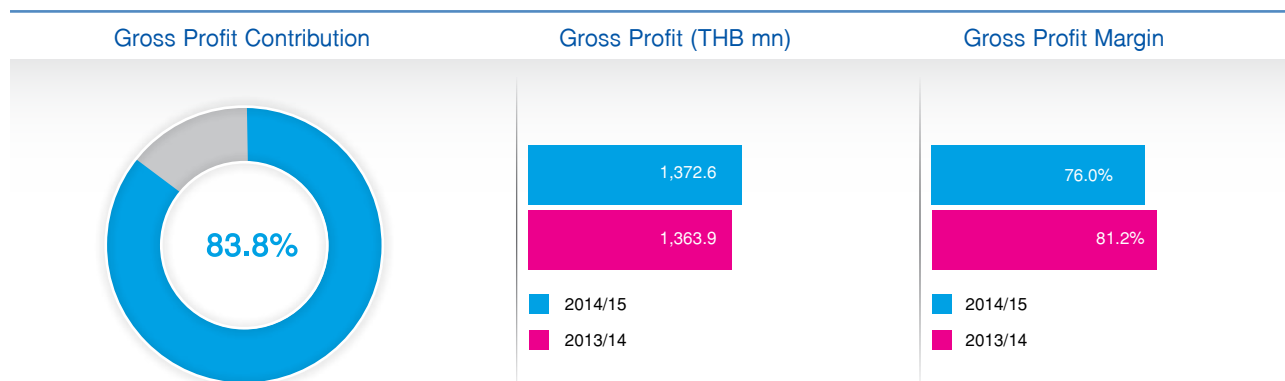
drop in revenue. Consequently, the Company's **gross profit margin** decreased to 55.3% from 57.4% in the previous year.

SG&A-to-sales ratio maintained at 13.7% almost unchanged from 13.8% in the previous year. There were **extra expenses** in 4Q 14/15, which were: 1) provision of initial damages incurred from terminating the agreement with Big C of THB 215mn (before tax) and 2) provision for the difference between revenue sharing and minimum guarantee of THB 53mn. Consequently, the **net profit** dropped to THB 837.6mn or a decrease of 26.9% YoY.

Excluding the impact from the aforementioned expenses, the **net profit** was THB 1,009.0mn, dropping 11.9% YoY due to the higher depreciation of new media on BTS stations and office buildings and the decreasing in revenue from Modern Trade.

Segmental Performance (Year-On-Year Analysis)

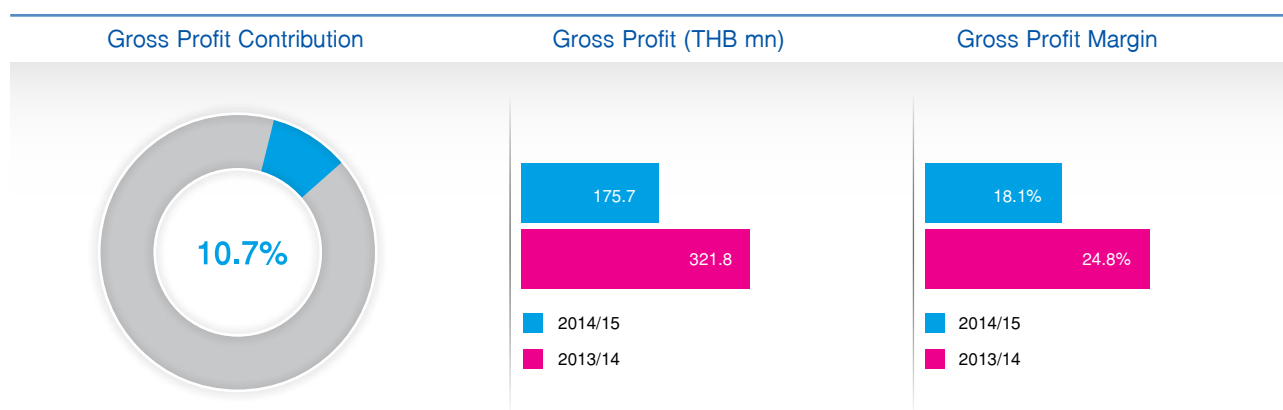
BTS-related Media



Revenue increased THB 126.5mn or 7.5% YoY to THB 1,805.3mn. The key growth drivers were 1) the increase in capacity of new media on BTS SkyTrain platforms (Platform Truss LEDs), 2) increase in revenue from merchandising space from higher rent and increased utilisation and 3) the addition of 5 new trains, which started to generate media revenue from April 2014.

Gross profit margin decreased to 76.0% from 81.2% in the previous year as a result of higher depreciation cost of the aforementioned new digital media.

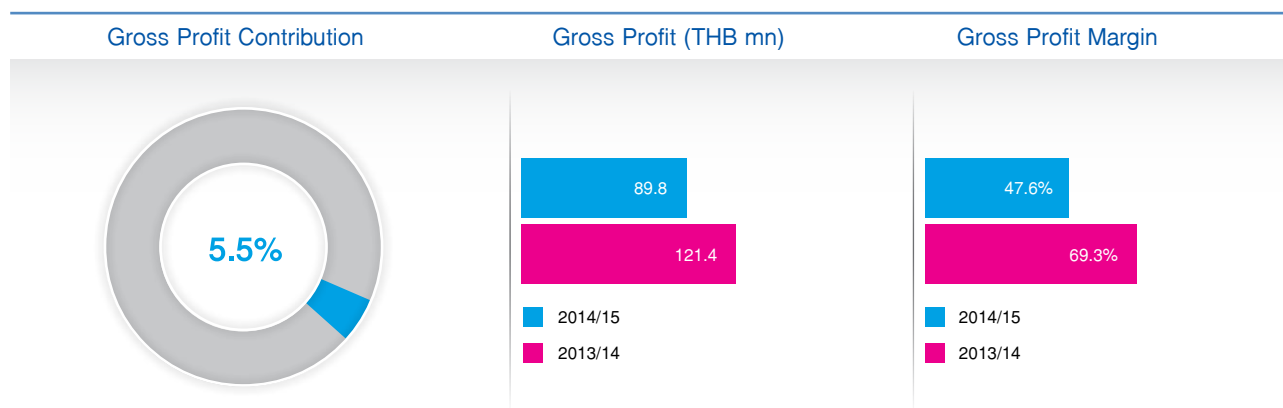
Modern Trade Media



Revenue was THB 968.7mn, decreasing 25.2% YoY or THB 326.5mn from the previous year. The decrease was primarily the result of the gradual expiration of all Tesco Lotus contracts from December 2014 to February 2015 and the aforementioned decision to terminate the contract with Big C.

Gross profit margin decreased to 18.1% from 24.8% in the previous year. These changes were primarily from high fixed costs which is typical in the Modern Trade business.

Office Building and Other Media



Revenue was THB 188.7mn, increasing 7.8% YoY or THB 13.6mn. This increase was due to: 1) full year revenue recognition of the additional buildings from the previous year coupled with the revenues generated from 28 new buildings from October 2014 onwards (a total of 103 buildings as of end of 2014/15) and 2) revenue from selling agent business such as selling media on Thai AirAsia airplanes.

Gross profit margin decreased to 47.6% from 69.3% in the previous year due to higher depreciation expenses of the aforementioned additional digital screens in office buildings as well as higher contribution from lower margin new businesses.

Financial Position

Assets

Total assets as of 31 March 2015 increased to THB 3,286.5mn from THB 2,740.9mn as of 31 March 2014. The increase was mainly attributable to the new digital media equipment and investment in 24.96% of total issued shares in MACO (see Assets Breakdown table).

Cash and cash equivalents and short-term investment decreased to THB 493.6mn from THB 1,009.3mn. The decrease was mainly attributable to dividends paid to shareholders, the investment in MACO and capital expenditure (see *Liquidity and Cash Flow section*).

Account receivables-net decreased to THB 519.1mn, in line with the decrease in Modern Trade sales revenue. The Company gives 60 - 90 days credit terms to customers and has a policy to setup an allowance for doubtful accounts for receivables of more than 120 days. In addition, the Company also considers the customers' historical payment and creditability to setup such allowance. As of 31 March 2015, the allowance for doubtful accounts decrease to THB 9.8 mn from THB 12.4mn as of 31 March 2014, which accounted for 1.9% and 2.1% out of total account receivables, respectively.

Ageing Of Trade Receivables (THB mn)

	31-Mar-14	31-Mar-15
Not yet due	507.9	477.9
less than 6 months	86.4	29.5
6 months or above	12.7	9.8
Total	607.0	517.2
% of total receivables	100.0%	99.6%
Allowance for doubtful debt	12.4	9.6
% of total receivables	2.1%	1.9%

Total equipment - net

increased to THB 1,262.4mn from THB 922.7mn as of 31 March 2014, mainly from the ownership transfer of the

Platform Screen Doors and new digital media equipment on BTS stations and the additional 28 office buildings.

Assets Breakdown

	31-Mar-14		31-Mar-15	
	(THB mn)	% out of total	(THB mn)	% out of total
Cash and cash equivalents and short term investment	1,009.3	37.0%	493.6	15.0%
Trade & other receivables	607.0	22.2%	519.1	16.0%
Equipment-net	922.7	33.7%	1,262.4	38.4%
Investment in JV and associates	44.5	1.6%	694.9	21.1%
Other assets	157.4	5.5%	316.5	9.5%
Total Asset	2,740.9	100.0%	3,286.5	100.0%



Liabilities And Shareholders' Equity

Total liabilities stood at THB 1,457.4mn, an increase of 85.0% or THB 669.8mn from THB 787.6mn as of 31 March 2014. This was due to an increase in short-term loans from financial institutions which was attributable to the loan drawdown of THB 530.0mn for the investment in MACO and Company's working capital. Other liabilities increased due the aforementioned provision of initial damages incurred from terminating the agreement with Big C.

Total shareholders' equity decreased by THB 124.2mn to THB 1,829.1mn from the decrease in retained earnings from dividend payment and the increase of provision for impairment.

Return on equity¹ for 2014/15 was 44.3%, down from 60.7% in the previous year as a result of the decrease in net profits this year.

Liabilities And Equity Breakdown

	31-Mar-14		31-Mar-15	
	(THB mn)	% out of total	(THB mn)	% out of total
Short term loans	0.0	0.0%	530.0	16.1%
Trade & other payables	150.8	5.5%	150.5	4.6%
Accrued expenses	363.4	13.3%	317.8	9.7%
Other current liabilities	247.5	9.0%	435.1	13.3%
Non-current liabilities	25.9	0.9%	24.1	0.7%
Total liabilities	787.6	28.7%	1,457.4	44.3%
Total shareholder's equity	1,953.3	71.3%	1,829.1	55.7%
Total liabilities and shareholder's equity	2,740.9	100.0%	3,286.5	100.0%

Liquidity And Cash Flow

As of 31 Mar 2015, **cash and cash equivalents** stood at THB 187.0mn, **net short-/long-term investment** of THB 341.1mn, totaling THB 528.1mn. This represents a decrease in cash, cash equivalents and short-/long-term investment by THB 479.3mn from THB 1,007.4mn at the end of the previous year (cash and cash equivalents of THB 503.5mn and net short-term investment of THB 503.9mn). During the year, the Company had **cash inflows from operating activities** of THB 1,069.5mn. Cash in investing activities in this year consist

of 1) **cash inflow from sale** of MACO's warrant (MACO-W1) of THB 129.2mn 2) **cash paid for investment in JV and associate** of THB 769.9 mn which THB 696.5 mn was for investing in **24.96% of total shares of MACO** 3) **CAPEX** of THB 521.7mn which approximately half of the amount was for payback on Platform Screen Door project and the rest was for **media capacity expansion** and 4) **cash inflow** from interest income and others of THB 45.4mn. The Company paid cash dividend a total of THB 964.8mn in 2014/15.

Financial Ratios

		2013/14	2014/15
Profitability Ratios			
Gross profit ¹	(%)	57.4%	55.3%
EBITDA ¹	(%)	47.9%	41.4%
Cash-to-net profit	(%)	94.5%	100.4%
Net profit	(%)	36.4%	28.3%
Net profit (excl. extra item) ²	(%)	36.4%	34.1%
Return on equity ³	(%)	60.7%	44.3%

¹ calculated from the last 12 months of net profit and shareholders' equity (average beginning and end of the period)

Financial Ratios

		2013/14	2014/15
Efficiency Ratios			
Return on assets	(%)	43.1%	27.8%
Return on fixed assets ⁴	(%)	177.1%	91.3%
Asset turnover	(times)	1.2	1.0
Liquidity Ratios			
Current ratio	(times)	2.1	0.7
Quick ratio	(times)	2.1	0.7
Accounts receivable turnover	(times)	4.9	5.3
Average collection period	(days)	74.2	69.5
Payable days	(days)	44.7	41.5
Leverage Ratios			
Liability to Equity	(times)	0.4	0.8
Debt to equity	(times)	-	0.3
Dividend payment ratio ⁵	(%)	93.4%	123.3%

1 Calculated from revenue from services

2 Extra items are 1) gain on sales of MACO-W1 in 3Q 14/15 and 2) provision of initial damages incurred from early terminating the agreement with Big C in 4Q 14/15 of THB 215mn (before tax)

3 Net Profit in the last 12 months / Average beginning - ending of Shareholders' equity

4 (Net Profit + Depreciation) / Average beginning - ending of Non-current Assets

5 Calculated from dividend paid from the operating result of 2014/15, totaling THB 1,033.0mn. The dividend paid from 2nd half of operating results at the rate of 0.025 per share is subject to approval of AGM 2015 on 6 July 2015.

Management Outlook

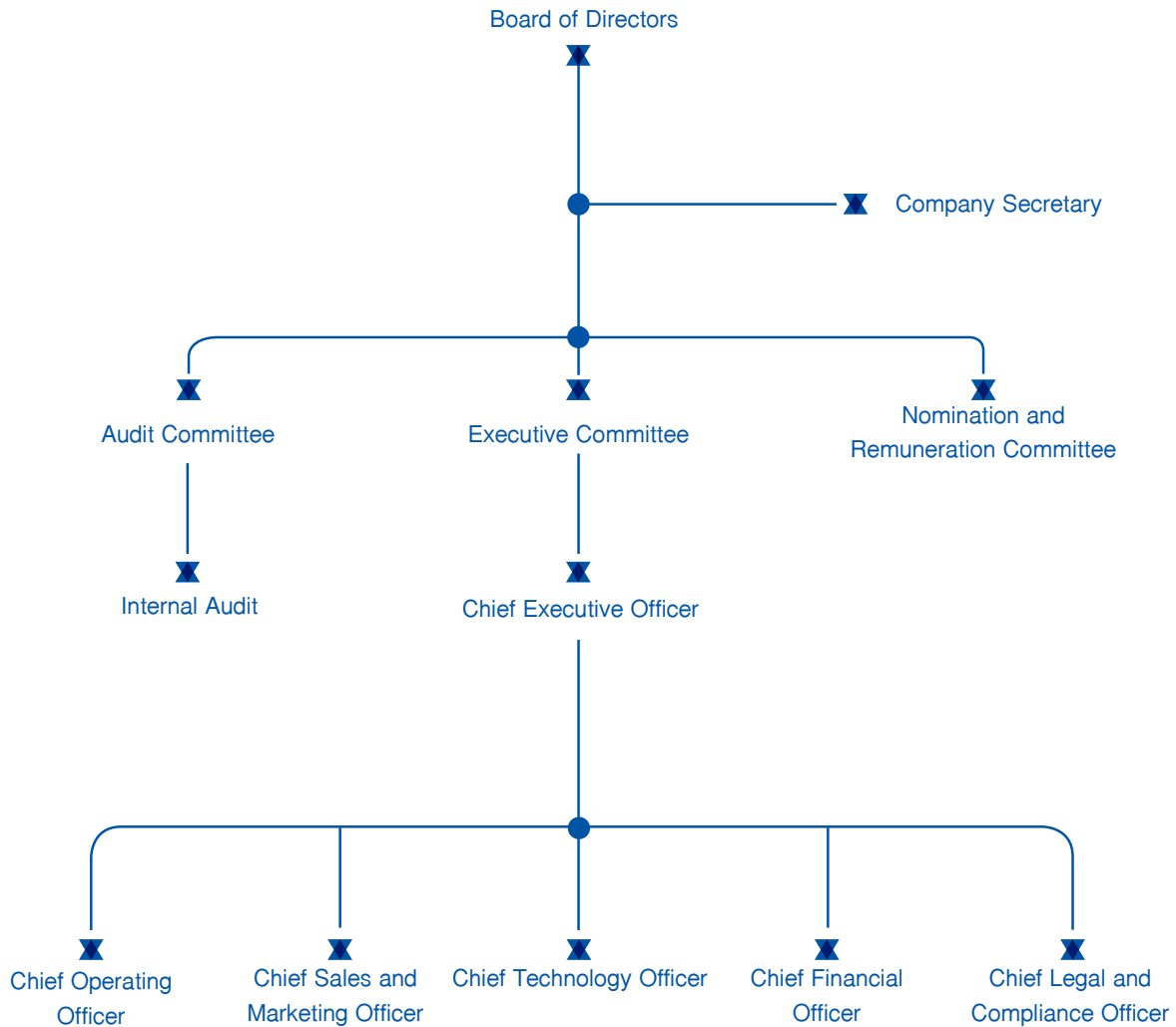
Please refer to *Section 2.3: Business outlook 2015/16*

5.0 Corporate Governance Report



5.1 Corporate Governance Structure

As of March 31, 2015, the Company's organisation chart is as follows:



Remark The Board of Directors' Meeting No. 4/2015 held on March 20, 2015 resolved to reorganize the Company's organisation chart, which shall be effective from April 1, 2015 onwards, i.e. the appointment of Advisory Board (such board is a group of individual advisors who are knowledgeable and being the experts who can provide the strategic and useful advice to the business affairs of the Company and subsidiaries. The advisors in the Advisory Board shall be appointed by the Board of Directors) and Corporate Governance Committee and the change in position's names of the Chief Executive Officer and the Chairman of the Executive Committee, in which it is reflected only in Thai.

5.1.1 Board of Directors

There were 9 Directors, which consists of 2 women and 7 men with diversified professional backgrounds; business administration, engineering, advertising and marketing, finance, audit and account and other experience that is considered beneficial and relevant to the media business. Composition of the Board of Directors is as follows

- (1) Three executive directors are Mr. Kavin Kanjanapas, Mr. Marut Arthakaivalvatee and Mr. Chan Kin Tak.
- (2) Three non-executive directors are Mr. Keeree Kanjanapas, Mr. Surapong Laoha-unya and Mr. Kong Chi Keung.
- (3) Three independent directors are Mrs. Jaruporn Viyanant, Mrs. Maneeporn Siriwatanawong and Mr. Mana Jantanayingyong.



No.	Name	Position	Meeting Attendance in 2014/2015
1.	Mr. Keeree Kanjanapas	Chairman of the Board of Directors	9/11*
2.	Mr. Kavin Kanjanapas	Director/Chairman of the Executive Committee	10/11*
3.	Mr. Kong Chi Keung	Director	10/11*
4.	Mr. Surapong Laoha- unya	Director	10/11*
5.	Mr. Marut Arthakaivalvatee	Director/Member of the Nomination and Remuneration Committee/ Member of the Executive Committee	11/11
6.	Mr. Chan Kin Tak	Director/Member of the Nomination and Remuneration Committee/ Member of the Executive Committee	11/11
7.	Mrs. Jaruporn Viyanant	Independent Director/Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	11/11
8.	Mrs. Maneeporn Siriwatanawong	Independent Director/Member of the Audit Committee / Member of the Nomination and Remuneration Committee**	9/11*
9.	Mr. Mana Jantanayingyong	Independent Director/Member of the Audit Committee/ Member of the Nomination and Remuneration Committee	11/11

Miss Catharin Jirarudee is the Company Secretary.

* Absence as a result of business trip in aboard

** The Board of Directors' Meeting No. 4/2015 held on March 20, 2015 resolved to appoint Mrs. Maneeporn Siriwatanawong to take position of the Chairman of the Nomination and Remuneration Committee, replacing Mrs. Jaruporn Viyanant who will remain a member of the Nomination and Remuneration Committee. Mrs. Jaruporn Viyanant is appointed to take position of the Chairman of the Corporate Governance Committee, which shall be effective from April 1, 2015 onwards.

For the Board of Directors' meeting, the Company has policy by providing that there must be two-third of directors present at the time of casting the vote of the Board of Directors.

Furthermore, in 2014/2015, the Non-Executive Directors has held 1 meeting without the attendance from the Executive Directors or management in order to make discussion on various issues that related to the Company's business and in their concerned, including CSR activities.

The directors authorized to sign and bind the Company Directors who have authority to sign for and on behalf of the Company consist of Mr. Keeree Kanjanapas, Mr. Kavin Kanjanapas, Mr. Kong Chi Keung, Mr. Surapong Laoha-unya, Mr. Marut Arthakaivalvatee and Mr. Chan Kin Tak, in which two of six directors must sign jointly and affix the Company's seal.

Authorities, Scope of Duties and Responsibilities of the Board of Directors

- To perform their duties in accordance with the laws, the objectives and Articles of Association of the Company as well as the resolutions of the shareholders' meetings with honesty and due care for the benefit of the Company;
- To determine the Company's vision, policies and business direction and to supervise the Management to ensure

implementation of those policies effectively and efficiently so as to maximize the value for the Company and the shareholders and to consider and review vision and mission of the Company every single year;

- To determine the Company's policies, strategies, business plans, annual budget, monitor and supervise the Management's business administration, including progress and quarterly performance of the Company, in comparison with the business plan and budget, and to also consider the future trends for the next period;
- To evaluate the performance of the Management on a regular basis and to monitor the remuneration mechanism of high level executives as deemed appropriate;
- To establish a framework and policy for determining salaries, adjustment of salaries, determining bonuses and compensation payments to the Company's Employees;
- To supervise the Management to ensure that the accounting system, financial reports and accounting audit system are accountable, as well as to ensure that the Company has an appropriate and sufficient internal control system;
- To consider and approve the acquisition and disposal of assets, investment in new businesses and any matters with regard to compliance with the laws, notifications, regulations and relevant rules;



8. To consider, and/or provide opinion on the connected transactions and/or the entering into transactions (in the event that the transaction size does not require approval by the shareholders' meeting) of the Company and its subsidiaries with regard to compliance with the laws, notifications, regulations and relevant rules;
9. To monitor and prevent conflict of interests among stakeholders of the Company;
10. To consider and approve the payment of interim dividends to shareholders;
11. To consider all the Company's affairs by taking into account the benefits of shareholders and all groups of stakeholders equitably. The Director shall report to the Company, without delay, if he has any conflict of interests in a contract executed with the Company or acquires more shares or sells shares in the Company or its subsidiaries. Hence, for any transaction with the Director or the person having conflict of interests or conflict of any kind with the Company or its subsidiaries, the Director in conflict shall have no right to vote to approve such transaction;
12. To govern the business operations with Code of Conduct and to review the corporate governance policy and code of conduct regularly, including to evaluate the implementation of such policies at least once a year;
13. To report the responsibilities of the Board of Directors in the preparation of the financial statements by disclosing such report along with the external auditor report in the Company's Annual Report, covering key issues under the policy statement on the Code of Best Practice for Directors of Listed Companies of the Stock Exchange of Thailand;
14. To delegate one or more Directors or other persons to perform any task on behalf of the Board of Directors. However, such delegation shall not be the authorization or sub-authorization that allows the Director or any authorized person, who has conflict of interests or conflict of any kind with the Company or its subsidiaries, to approve such transactions;
15. To appoint sub-committees to assist and monitor the Management system and the internal control system to ensure the compliance with the Company's policies, such as the Executive Committee and the Audit Committee;
16. To appoint the Company Secretary to ensure that the Board of Directors and the Company comply with the laws and relevant regulations;

17. To evaluate the performance of the Board of Directors on an annual basis, both group evaluation and individual evaluation, in order to use as a guideline for the review of the Board of Directors' performance.

The Chairman of the Board of Directors as the chief of the Board of Directors has roles and duties as follows:

1. To call the meeting of the Board of Directors. In calling a meeting, the Chairman or a person assigned by him shall send out the meeting invitation to Directors at least 7 days prior to the meeting date, unless in a necessary and emergency case. Such invitation shall specify the place, date and time of the meeting and the nature of the businesses to be discussed;
2. To act as the Chairman at the meeting of the Board of Directors and to cast the casting vote in case of an equality of votes;
3. To act as the Chairman at the meeting of shareholders of the Company and to conduct the meeting in compliance with the Company's Article of Association and the agenda;
4. To perform other duties as specified by laws particularly as the duties of the Chairman.

Term of the directorship

In each of the annual general meeting, one-third (1/3) of the existing directors shall retire by rotation. If the number of the directors cannot be divided into exactly three parts, the closest number to one-third (1/3) shall be applied.

The retired directors may be re-elected again.

For the first and second year following the listing of the Company, the directors who must retire by rotation shall draw lots. For the years after, the longest serving directors shall retire by rotation.

Qualifications of Board of Directors and Independent Directors

Qualification of Directors

1. Possessing qualification required pursuant to the Public Limited Companies Act B.E. 2535 (as amended), Securities and Exchange Act B.E. 2535 (as amended) and relevant notifications of the Securities and Exchange Commission of Thailand and Capital Market Supervisory Board;
2. Having knowledge, capability, skill, experience and diversified expertise beneficial to the Company's businesses;
3. Being independent, performing the duty of the director with due care and loyalty, being mentally and physically healthy and able to contribute and dedicate time for the Company's business affairs;

4. Having a good working profile and not engaging in business or being a partner in a general partnership or being an unlimited liabilities partner in a limited partnership or a director in other private or public company which carries on businesses with the same nature and in competition with the Company's businesses, except the meeting of shareholders is informed of such nature before having resolution to appoint such person and other relevant laws are complied.

Qualification of Independent Directors

In case of the nomination of Independent Director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Directors, which is more stringent than the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as follows:

1. Holding not more than 0.5 per cent of the total number of shares with the voting rights of the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company. In this case, for the purpose of calculation, the number of shares held by the related person of each Independent Director shall also be included;
2. Neither being a director who takes part or used to take part in management, nor being or used to be an employee, staff, and an advisor who receives regular salary, nor the controlling person of the Company, parent company, subsidiaries, associated companies, subsidiaries ranked in the same level, major shareholders or the controlling person of the Company;
3. Not being a blood-related person nor legally related as father, mother, spouse, brother, sister and children, including being the spouse of the children of the executives, major shareholders, controlling persons or the persons who will be nominated as the executive or controlling person of the Company or subsidiaries;
4. Neither having, nor used to have any business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company in the manner that may obstruct the exercise of independent judgment as an Independent Director. Moreover, Independent Directors must neither being, nor used to be a key shareholder or controlling person of the entities having business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company;
5. Neither being, nor used to be the auditor of the Company, parent company, subsidiaries, associated companies, major shareholders, controlling persons of the Company, nor being a key shareholder, controlling person or partner of the audit office having the auditor providing auditing service to the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company;
6. Neither being, nor used to be a provider of any professional services including the legal advisory or financial advisory services that received fees in the amount of more than THB 2mn per year from the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, nor being key shareholder, the controlling person, or partner of such professional services provider;
7. Not being a director who has been appointed as a representative of the Company's Directors, major shareholders or shareholders relating to major shareholders;
8. Neither operating the business having the same nature which significantly competes with the business of Company or its subsidiaries, nor being a significant partner or a director who involves in the management, nor being an employee, staff, and an advisor who receives regular salary, or holds more than 1 per cent of the total number of shares with the voting rights of a company that operates the business having the same nature and significantly competes with the businesses of the Company or its subsidiaries;
9. Having no other conditions that may obstruct the independent expression of comment on the Company's operation.

5.1.2 Executive Management

As of March 31, 2015, the executive management consists of 9 members as follows

No.	Name	Position
1.	Mr. Kavin Kanjanapas	Chairman of the Executive Committee*
2.	Mr. Marut Arthakaivalvatee	Chief Executive Officer*
3.	Mr. Chan Kin Tak	Chief Operating Officer
4.	Mrs. Oranuch Rujirawona	Chief Sales and Marketing Officer
5.	Mr. Chavin Kalayanamitr	Chief Technology Officer
6.	Mrs. Suparanan Tanviruch	Chief Financial Officer
7.	Ms. Catharin Jirarudee	Chief Legal and Compliance Officer
8.	Mrs. Pitchapaksorn Jit-Opas	Billing and Accounting Director
9.	Ms. Daranee Phanklin	Financial Controller

* The Board of Directors' No. 4/2015 held on March 20, 2015 approved the new organisation chart by changing the position's name of the Chief Executive Officer and the Chairman of the Executive Committee, in which it is reflected only in Thai. This shall be effective from April 1, 2015 onwards.

For the Company's corporate governance purposes and transparency of internal control as well as to limit their powers under certain scopes, the positions, powers, and duties of the Chairman of the Board of Directors and the Chief Executive Officer are clearly divided. The scope of duties and responsibilities of the Chief Executive Officer are as follows:

1. To supervise, manage, operate and conduct normal business operations for the benefit of the Company, to comply with the policies, visions, targets, business plans and budget as stipulated by the Board of Directors' meetings and/or as assigned by the Executive Committee;
2. To manage the operations of the Company, to comply with the missions as specified by the Executive Committee, in order to ensure consistency with the business plan and the budget of the Company, as well as the business strategy as specified by the Board of Directors and/or the Executive Committee;
3. To supervise the financial and marketing operations, to manage the personnel and other operations, to ensure compliance with the policy and operation plans of the Company as specified by the Board of Directors and/or the Executive Committee;
4. To have the authority to employ, appoint, transfer, dismiss, terminate, and determine the employment rate and remuneration for employees that rank below the Executive Committee, by appointing an authorized person to act on his behalf;
5. To determine the remuneration, adjust the salary, reward and special bonus other than the normal salary and bonus

of the employees, with approval from the Board of Directors and/ or the Executive Committee;

6. To negotiate and enter into any agreements and/or transactions concerning the Company's normal course of business (such as the purchase of machinery and other assets in accordance to the budget as approved by the Board of Directors, purchase of inventory and sale of goods, etc) The limit for each transaction shall not exceed the amount as approved by the Board of Directors;
7. To consider and approve the borrowing of any loans between the Company and its subsidiaries;
8. To issue internal order, policy, announcement and other notices operations of the Company in accordance to the policy and benefit of the Company, including maintaining the discipline within the organisation;
9. To perform any other duties as assigned by the Board of Directors and/or the Executive Committee, including having the authority for performing such duties.

However, in a transaction, the delegation within the scope of duties and responsibilities of the Chief Executive Officer shall not be an authorization or sub-authorization that allows the Chief Executive Officer and/or any authorized person who has a conflict of interests or a conflict of any kind with the Company or its subsidiaries to approve such a transaction. In such cases, the Chief Executive Officer shall have no authorization to approve such transactions, and it shall be proposed that the transactions be considered and approved by the Board of Directors and/or the Shareholders' Meeting (as the case may be), unless such transactions are in the normal course of the Company's business and are at arm's length.

5.1.3 Company Secretary

Miss Catharin Jirarudee holds the position of the Company Secretary, whose scope of duties and responsibilities are as follows:

1. To organize the Executive Committee's meetings, the Board of Directors' meetings and shareholders' meetings in compliance with the applicable laws and regulations;
2. To prepare and keep the following documents:
 - the Directors' registration;
 - the invitation to the Board of Directors' and the Executive Committees' meetings, the minutes of the Board of Directors' and the Executive Committees' meetings, including Annual Report of the Company;
 - the invitation to the shareholders' meetings and the minutes of the shareholders' meetings;
3. To keep the report on interest filed by Directors or Executive;
4. To provide an advice to the Directors as regards the laws and regulations in relation to the good corporate governance, the maintenance of the status as a listed company and other laws and regulations relevant to the Company's businesses;
5. To monitor and ensure that the disclosure of information is in compliance with the regulations of the Stock Exchange of Thailand, the SEC and other supervisory agencies as well as the good corporate governance principles;
6. To perform other tasks as stipulated by the Capital Market Supervisory Board or as assigned by the Board of Directors.

The Company Secretary has attended various seminar courses, e.g. the Corporate Secretary Program (CSP) organized by Thai Institute of Directors, Fundamental Practice for Corporate Secretary organized by Thai Listed Companies Association. The Company Secretary also regularly and consistently enrolls in the training or seminar organized by the Stock Exchange of Thailand, the SEC and other relevant organisation. Consequently, the Company Secretary is able to fully understand the scope of duties and responsibilities of the Company Secretary and support the operations of the Board of Directors.

5.1.4 Employee

As of March 31, 2015, there were totally 466 employees, whom 54 employees were working with the Company for over 10 years and 95 employees were working with the Company for 5 - 10 years, equivalent to 12 per cent and 20 per cent of total employees, respectively.

2014/2015 employees' remuneration consisting of a salary, bonus, contribution portion for provident fund, overtime pay, social security payment, allowance, commission and others totaled THB 292.19mn. In respect of determination of the employees' remuneration, both short-term and long-term, the Company's Group considers it to be in line with the operational result of the Company's Group. To create happiness to the employees, the Company's principles for remuneration management are (1) internal equity, (2) external competitive and (3) motivation to the employees. (Full details of which can be seen in the Company's Form 56-1: Employee)

Report on holding securities by the Board of Directors and the Executives

The Company has policy requiring the Directors and the Executives of the Company to report their changes in securities holding to the Office of the Securities and Exchange Commission within 3 business days from the date of such change, and provide a copy of such report (Form 59-2) to Company Secretary. The Company Secretary shall then consolidate, summarize and present such report to the Board of Directors on quarterly basis. The report of changes in securities holding of the Directors and the Executives by comparing between the fiscal year ended March 31, 2015 and the fiscal year ended March 31, 2014 has been summarized as follows:

Conclusion on the change in shareholding by the Directors and the Executives in 2014/2015

No.	Name	Number of Shares		Percentage of shareholding (%)	
		March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015
1.	Mr. Keeree Kanjanapas	16,594,229	37,188,458	0.48	0.54
	- Spouse and minor child	-	-	-	-
2.	Mr. Kavin Kanjanapas	-	-	-	-
	- Spouse and minor child	-	-	-	-
3.	Mr. Kong Chi Keung	96,948	193,896	0.003	0.003
	- Spouse and minor child	-	-	-	-
4.	Mr. Surapong Laoha-unya	168,220	336,440	0.005	0.005
	- Spouse and minor child	-	-	-	-

No.	Name	Number of Shares		Percentage of shareholding (%)	
		March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015
5.	Mr. Marut Arthakaivalvatee	-	-	-	-
	- Spouse and minor child	122,044	244,088	0.004	0.004
6.	Mr. Chan Kin Tak	-	-	-	-
	- Spouse and minor child	-	-	-	-
7.	Mrs. Jaruporn Viyanant	-	-	-	-
	- Spouse and minor child	-	-	-	-
8.	Mrs. Maneeporn Siriwatanawong	-	-	-	-
	- Spouse and minor child	-	-	-	-
9.	Mr. Mana Jantanayingyong	-	-	-	-
	- Spouse and minor child	-	-	-	-
10.	Mrs. Oranuch Rujirawona	228,800	2,000,000	0.007	0.03
	- Spouse and minor child	-	-	-	-
11.	Mr. Chavin Kalayanamitr	328,888	657,776	0.01	0.01
	- Spouse and minor child	-	-	-	-
12.	Mrs. Suparanan Tanviruch	-	-	-	-
	- Spouse and minor child	-	-	-	-
13.	Ms. Catharin Jirarudee	-	-	-	-
	- Spouse and minor child	-	-	-	-
14.	Mrs. Pitchapakorn Jit-Opas	-	-	-	-
	- Spouse and minor child	-	-	-	-
15.	Ms. Daranee Phanklin	-	-	-	-
	- Spouse and minor child	-	-	-	-

Conclusion on the change in holding of VGI-W1 by the Directors and the Executives in 2014/2015

No.	Name	Number of VGI-W1		Percentage of holding (%)	
		August 1, 2014*	March 31, 2015	August 1, 2014	March 31, 2015
1.	Mr. Keeree Kanjanapas	4,648,557	4,148,557	0.54	0.48
	- Spouse and minor child	-	-	-	-
2.	Mr. Kavin Kanjanapas	-	-	-	-
	- Spouse and minor child	-	-	-	-
3.	Mr. Kong Chi Keung	24,237	24,237	0.003	0.003
	- Spouse and minor child	-	-	-	-
4.	Mr. Surapong Laoha-unya	42,055	42,055	0.005	0.005
	- Spouse and minor child	-	-	-	-
5.	Mr. Marut Arthakaivalvatee	-	-	-	-
	- Spouse and minor child	30,511	30,511	0.004	0.004
6.	Mr. Chan Kin Tak	-	-	-	-
	- Spouse and minor child	-	-	-	-
7.	Mrs. Jaruporn Viyanant	-	-	-	-
	- Spouse and minor child	-	-	-	-
8.	Mrs. Maneeporn Siriwatanawong	-	-	-	-
	- Spouse and minor child	-	-	-	-
9.	Mr. Mana Jantanayingyong	-	-	-	-
	- Spouse and minor child	-	-	-	-
10.	Mrs. Oranuch Rujirawona	57,200	50,000	0.007	0.006
	- Spouse and minor child	-	-	-	-

No.	Name	Number of VGI-W1		Percentage of holding (%)	
		August 1, 2014*	March 31, 2015	August 1, 2014	March 31, 2015
11.	Mr. Chavin Kalayanamitr	82,222	82,222	0.01	0.01
	- Spouse and minor child	-	-	-	-
12.	Mrs. Suparanan Tanviruch	-	-	-	-
	- Spouse and minor child	-	-	-	-
13.	Ms. Catharin Jirarudee	-	-	-	-
	- Spouse and minor child	-	-	-	-
14.	Mrs. Pitchapaksorn Jit-Opas	-	-	-	-
	- Spouse and minor child	-	-	-	-
15.	Ms. Daranee Phanklin	-	-	-	-
	- Spouse and minor child	-	-	-	-

* The Company issued VGI-W1 on August 1, 2014.



5.2 Corporate Governance Policy

Corporate Governance report 2014/15

The Board of Directors has established a policy on corporate governance that is in accordance with the principles and guidelines on good corporate governance of the Stock Exchange of Thailand and recommendations of the Thai Institute of Directors (IOD). The Board of Directors consistently adheres to good corporate governance principles and practices and recognizes the critical importance of corporate governance (CG) in the Company's pursuit of sustainable, as well as communicates to all executives, and employees through many channels, i.e. orientation for new employees, re-orientation for existing employees and the Company's intranet, for their acknowledgement and adherence.

In addition, as Thai Institute of Directors (IOD) has increased the criteria for the 2014 CG assessment, the Board of Directors, (1) in the Board of Directors' meeting No. 2/2014 held on March 21, 2014, resolved to approve the appointment of CG Working Team for the purpose of; (i) study on new criteria assessment (ii) the completion of the amendment of the Company's Corporate Governance Policy; and (iii) practical compliance with policy for overall organisation, and (2) in the Board of Directors' meeting No. 4/2015 held on March 20, 2015, resolved to appoint the Corporate Governance Committee for the purpose of enhancing good corporate governance of listed company, which prescribes that listed company should have CG Committee.

The Company's corporate governance policy is divided into 5 sections as follows:

- (1) Rights of Shareholders
- (2) Equitable Treatment of Shareholders
- (3) Role of Stakeholders
- (4) Disclosure and Transparency
- (5) Board Responsibilities

Section 1: Right of Shareholders

The Company places emphasis on the rights of shareholders as the true owner of the Company. All kinds of shareholders, whether minority or institutional, are encouraged to exercise their fundamental rights, e.g. sale, purchase or transfer of shares, profit sharing, receipt of the adequate information either via the Company's or the SET's websites or other channels, attendance at shareholders' meetings to acknowledge the Company's annual business performance, and voting rights at the shareholders' meetings to approve significant matters

as specified by law, such as the appointment or removal of directors, directors' remuneration, the appointment of the auditor and determination of the auditor's fee, dividend payment or suspension of dividend payment, any capital increase and issuance of new shares, and making enquires or comments on the matters that the Board of Directors presents or requests for approval at the shareholders' meeting.

Shareholders' Meeting

In 2014/2015, the Company held the 2014 Annual General Meeting of Shareholders (the 2014 AGM) on July 3, 2014, which was within 4 months from the end of the Company's fiscal year. The Company conducted the shareholders' meeting in accordance with good governance practices.

1. The Company has appointed the Company Secretary to ensure that the 2014 AGM was called and held as required by law and in accordance with the guidelines for shareholders' meetings as stipulated by the SET. In the 2014 AGM, the Company arranged for legal advisor to provide legal advice and act as a moderator in the inspection and vote counting, as well as invited minority shareholders to act as a witness to the votes counting and the Company's auditors to present on the agenda of the approval of the Company's financial statements.

In addition, the Company has encouraged the shareholders to send the question(s) in relation to any agenda to be considered in the 2014 AGM in advance during period between June 3, 2014 to March 30, 2014.

2. The Company assigned Thailand Securities Depository Company Limited, its securities registrar, to deliver the Invitation to the 2014 AGM, stating the place, date and time of the meeting together with the meeting's agenda and sufficient supporting documents for each agenda to shareholders, included detailed objectives and the reason for each proposed agenda, as well as the comments of the Board of Directors on each agenda. To ensure that shareholders and/or investors were able to easily access the invitation to the 2014 AGM and its supporting documents, the Company has publicized the Invitation the 2014 AGM both in Thai and English on its website one month prior to the meeting date. Then, such Invitation to the 2014 AGM, in both in Thai and English, together with the 2013/2014 Annual Report (in CD-ROM format) was sent via post to shareholders 21 days in advance of the meeting date.

3. The Company encouraged shareholders to use Proxy Form B, which is the form in which each particular matter in detail is specified.
4. The Company facilitated attendance by all shareholders and proxies by not specifying any special conditions which may restrict shareholders' opportunity to attend the 2014 AGM. The Company sets (i) the 2014 AGM date which does not fall on any long holidays or public holidays; (2) an appropriate meeting time which is not be too early in the morning or too late in the evening; and held at venues which are convenient for travelling, i.e. the 2014 AGM was held at Eastin Hotel Makkasan Bangkok, where located close to Airport Rail Link and expressway on-off ramp and with sufficient parking area. In this respect, the Company has provided shuttle bus to pick up and drop off the meeting attendants between the Airport Rail Link, Ratchaprarop Station, and the meeting venue at 11.30-14.30 hrs. and at 16.30-17.30 hrs., of which it was before the 2014 AGM starting and after the 2014 AGM finishing.

The Company further facilitated attendants by (1) opening registration desk two hours prior to the meeting time; (2) providing registration officer; (3) setting up registration desk for each shareholder by type, i.e., individuals, juristic persons, and fund managers or custodians; and (4) using the Barcode system in the registration and votes counting. Furthermore, the registration remained open to shareholders during the meeting, allowing shareholders to register and attend the meeting at any time and vote on any remaining agenda.

5. Before the 2014 AGM starting, the Company Secretary introduced the meeting of the Board of Directors, executives, the Company's auditor and legal advisor who acts as a moderator. The Company Secretary also informed the meeting about the voting procedures and vote counting in the meeting and completely recorded it in the minutes of the 2014 AGM.
6. During the 2014 AGM, the Chairman of the Meeting gave floor to all attendants to express opinions or enquiries relevant to the agenda. The enquiries were answered clearly and precisely and given adequate time for debate. For the agenda on the appointment of directors, the shareholders voted for each director individually and separately. In addition, there were no hidden agenda or other agenda not stated in the Invitation to the 2014 AGM.
7. Following the meeting date, the Company completely recorded minutes of the 2014 AGM, which it can be reviewed by shareholders. The resolutions of the 2014 AGM were also

clearly recorded with details of approved, disapproved, and abstention votes for all agenda which require a vote, as well as recording opinions, suggestions and answers to the material questions relating to each agenda. The Company summarized the resolutions to the SET's website within the same day as the date of the 2014 AGM. The minutes of the 2014 AGM was submitted to the SET within 14 days, as well as published on the Company's website.

Other the 2014 AGM, there was one extraordinary general meeting of shareholders (EGM) held by the Company, EGM No. 1/2015 held on March 11, 2015, of which the main agenda was approval of the stock dividend from the allocation of total amount of retained earning according to stand-alone financial statements, and some of net profit for the operating results during the third quarter of the fiscal year 2014/2015. In such EGM, all shareholders were treated equally and their rights were recognized equally, similar to those of the 2014 AGM.

Dividend Payment

The 2014 AGM held on July 3, 2014 resolved to approve the allocation of profit for the results of the operation in the fiscal year ended March 31, 2014 (April 1, 2013 - March 31, 2014) to pay dividends to the shareholders in the total amount of not exceeding THB 1,053.29mn, or equivalent to 93.44 per cent of the net profit after the corporate income tax according to the Company's stand-alone financial statements, detailed as follows;

1. The Company paid the interim dividend on December 27, 2013 in the amount of THB 607.13mn or equivalent to the dividends at the rate of THB 0.184 per share, as per the resolution of the Board of Directors' Meeting No. 7/2013 held on November 7, 2013; and
2. The Company paid the remaining dividend in the amount of not exceeding THB 446.16mn to the shareholders or equivalent to the cash dividends at the rate of THB 0.13 per share to shareholders on July 31, 2014.

In 2014/2015, the Company has allocated retained earning and profit for the operating results to pay dividend to shareholders, of which details are as follows:

1. The Company allocated profit for the operating results during the 6-month period of the Company's fiscal year 2014/2015 to pay interim dividend No. 1 to the shareholders on January 30, 2015 in the total amount of not exceeding THB 480.48mn or at the rate of THB 0.14 per share, as per the resolution of the Board of Directors' Meeting No. 1/2015 held on January 5, 2015; and

2. The Company allocated retained earnings according to stand-alone financial statements and profit for the operating results during the third quarter of the fiscal year 2014/2015, to make interim dividend payment No. 2 in the total amount of not exceeding THB 381.34mn or at the rate of THB 0.111111111111 per share. The interim dividends were paid in (a) stock dividends at the ratio of every 1 existing share for 1 stock dividend, or equivalent to the dividends at the rate of THB 0.10 per share; and (b) cash dividends at the rate of THB 0.011111111111 per share. The payment date was on March 31, 2015.

Section 2 Equitable Treatment of Shareholders

Proposing Agendas and Nominating Candidates to be Elected as Director

In advance of the Annual General Meeting of Shareholders, the Company shall allow minority shareholders to propose agenda and nominate candidates to be elected as directors. The objective is to promote the equitable treatment of shareholders. Shareholders with a combined holding of at least 5 per cent of the Company's total issued shares who have continually held such shares for at least 6 months prior to the proposal of agenda and the nomination, are entitled to propose agenda and nominate candidates to be elected as directors. The Company will publish such criteria on the Company's website as well as publish an announcement on the SET's website. The Company will give shareholders the opportunity to propose meeting agenda items and nominate candidates within the period set forth by the Company.

In addition, in order to provide clear and transparent procedures for consideration of proposal of agenda and nomination of director proposed by minority shareholders, the Board of Directors' Meeting held on March 22, 2013 resolved to approve the criteria for minority shareholders to propose agenda and nominate candidate(s) to be elected as director. These criteria were publicized together with the invitation to shareholders to propose agenda and/or nominate candidate to be elected as Director on the Company's website and the SET's website.

Moreover, the Company has invited the shareholders to send the question(s) in relation to any agenda to be considered in the shareholders' meeting in advance for every meeting.

For the 2015 Annual General Meeting of Shareholders, the Company has invited the shareholders to propose agenda and/or nominate a candidate to be elected as Director during the period between December 22, 2014 and March 23, 2015

through various channels such as by email of the Company Secretary at CompanySecretary@vgi.co.th (for submission of document copies) and by registered mail to the Company Secretary Division (for submission of original documents). However, there were eventually no shareholders proposing any agenda and/or candidate to be elected as the Director of the Company.

Appointing Proxies

To maintain the rights of those shareholders who cannot attend the meeting in person, the Company is to attach a proxy form B, which is the form in which each particular matter in detail is specified, to the invitation and clearly state the list of documents and evidence required for the appointment of a proxy. The shareholders may assign a representative or an independent director to attend the meeting and cast the vote on his/her behalf. The Company will specify in the invitation the name of at least 1 independent director, whom a shareholder can give proxy to. The Company will also disclose the invitation and proxy forms, together with details and procedures on the Company's website.

Moreover, the Company has policy to facilitate and encourage the shareholders to attend the meeting by giving the right to the shareholders to submit proxy form together with the supporting documents to appoint the Company's Independent Director in advance, not only on the meeting date. The Company also encourages the institute shareholders and/or custodians to attend the meeting by giving an opportunity to such shareholders to verify the name, information and document verification before the shareholders' meeting date, as well as providing officer for collecting proxy form and supporting documents, if shareholders request to the Company. In respect of this, the Company prepares duty stamps available for free for shareholders who appoint a proxy to attend meetings.

Access to Information

The Company favors no particular group of stakeholders, giving all equal access to its public information, through the Company's website at www.vgi.co.th or through Investor Relations Department at +66 (0) 2273 8611-15 ext. 1528 or 1529 or email ir@vgi.co.th.

Section 3 Roles of the Stakeholders

Treatment of Stakeholders

The Company is aware of the role of stakeholders and pays close attention to the significance of the rights of all groups of

stakeholders, such as shareholders, employees, customers and business partners, as well as the public and the community, by ensuring that they are treated properly, equitably and honestly. The Company realizes that the good relationship with all groups of stakeholders is significant for long-term development and sustained growth of the Company and its subsidiaries. Therefore, the Company stipulates the written policy and guidelines on treatment of stakeholders as set forth in the Company's Corporate Governance Policy and Code of Conduct and distributes this to all directors, executives and employees of the Company for their acknowledgement and compliance.

• Treatment of Stakeholders

Shareholders

The Company is determined to perform the job with prudence to present benefits at the suitable level to the shareholders with continuously sustainability of good operation results, while considering the risk factors at present and future. The Company shall implement for transparency on the operation and try fully in protecting the assets and maintain its reputation. In this respect, on June 26, 2014, the Company and BTSG has invited Thai Investor Association to visit our company, in order to increase knowledge and promote our relationship.

Customers

The Company gives priority to its customers, whom are the important part to make success to the Company. We then determines guideline to build satisfaction and confidence with our customers by presenting and servicing with quality that in accordance with or higher that expectation of the customers, and equity readying to deliver excellent service to its customers with integration. The Company also gives accurate and sufficient data to the customers in order to prevent the customer to misunderstand about our quality or any conditions of our media or service. We also develop the quality and format of the goods and service in response to the demand of the customers continuously and regularly. It is to maintain good relations in the long run by surveying the customer's satisfaction and listen to their comments or complaints and bring to use as guideline for improving the service and management. Moreover, it also develops personnel that provide the service to the customers by providing training and knowledge and understanding to the employees before the actual performance. It develops and increases skills to our Employees continuously, so its customers can benefit from the service optimization.

In addition, the Company has policy and guideline to keep confidentiality of the customers. The Company would not



disclose such information to other people, or using it in order to seek benefits for other purposes without prior consent from the information owner, unless the Company is required to disclose by laws.

Employees

The Company believes that our employees are the main successful factor and valuable resource in business operation. We then significantly give priority to employees by providing fairness to every level of employees without discrimination and respects their right according to the basic international human rights, also the law and the rules. We also give importance to health, occupation, hygiene, and safety in life, property and the working environment of its employees. We also fortify good culture and working atmosphere and promote teamwork. Moreover, the Company has presented an opportunity to create working advancement to all employees with equality and seeing importance on potential of employees. So we focus on personnel development, both in aspect of functional and managing quality of life, with training of employees continuously inside and outside the organisation. As well as organizing activities to create good relations in the organisation among the employees and between the employees and the management (please find more details Form 56-1 Section 8.5 Employees).

Business Partners

The Company values our business partners as the key to our growth through mutual support, including creating value to the customers and the shareholders. We, therefore, select business partners by considering their reputations, capability, legality and regularity, as well as treating them on the basis of equalities with emphasizing on the transparency and justification. The Company strictly complies with the terms and conditions specifying in contracts and code of conduct of the Company, in which in the case where there is term and condition that cannot be complied, the Company will immediately notify our business partners. In addition, the Company annually arranges events to create relationship with our business partner. In the previous year, the Company has arranged football match with our business, to promote our relationship.



Competitors

The Company shall compete with our competitors within the scope of laws and code of conduct and the competition is based on the fair competition. We shall not discredit or seek for confidential information of competitors in a corrupt or unfair manner but shall professionally operate the business with integrity. Furthermore, we support and promote fair and free trade. We do not force our customers to make transaction only with us also.

Creditors

The Company places emphasis on creating trustworthiness by abiding to our integrity, and strictly conform to terms and conditions of the contracts made with the creditors. We made all principle and interest payment on accuracy, timely and complete basis. Also, we shall not use the loan proceeds in the way that contrary to its objectives nor hide any information that may be harmful to creditors.

Society, Community and Environment

The Company places emphasis on sustainable business growth together with development of society, community, environment and quality of life in Thailand. With the awareness of social responsibility, we have implemented policy on social responsibility stems from the Company's overall operational policies, applicable to every part of the organisation. In this regard, we believe that conducting business with good governance for society would create a powerful economic driving force, offering sustainable development to society, both at community level and for the country as a whole.

The Company considers that it is our duty and responsibility to support and procure corporate social activities providing benefit to the society in various aspects. We continuously organize some corporate social activities conformed with social context, covering the activities benefit the society at the macro level, community level and operation level as the contribution to the society (please find more details in topic 4.3 Corporate Social Responsibilities).

• Policy on Business Ethics

The Company has the policy related to business ethics, which is the policy that promotes good governance such as the policy and guidance on human rights violation, policy and guidelines on anti-corruption and bribery, the policy and guidance on non-violation of intellectual property or copyright, policy and guidelines on using IT and communication, of those can be summarized as follows:

Human Rights Violation

The Company treats all stakeholders with justification by adhering laws and regulations concerning employees and the international fundamental principles of human rights, regardless of the place of birth, nationality, gender, age, skin color, religious belief, disability, status, family status, educational institute, or other status irrelevant to job performance, apart from respecting individualism and human dignity.

Anti-Corruption and Bribery

The Company is opposed to all form of corruption and bribery and has policy to encourage employees to abide by the laws and

be a good citizen of our country and to support the transparent business operation with our business partners. The objective is to improve and support the sustainable development of our society since the Company has joined the declaration to engage in Collective Anti-Corruption: CAC.

To state the Company's position on corruption and bribery as well as to provide rules and guideline for the directors, the executives and the employees to comply, we therefore established a set of policies and procedures regarding anti-corruption and bribery in written in our Corporate Governance Policy and the Code of Conduct and Rules and Guideline for Human Resources Management, which has been publicized in our intranet. Their principles are as follows:

The giving or acceptance of presents

- Employees shall not demand presents, properties or any benefit from contractors, dealers, sellers, joint investors, or any person related to business of the Company.
- Employees shall not give or accept any presents, properties or any benefit which influences decisions except for traditional presents having an appropriate price. If there is any doubt whether such acceptance is appropriate or not, the supervisor can demand employees to return presents, properties or any benefit to the giver.

Charitable contributions

- As part of corporate social responsibility, the Company and/or the Company's Group are able to make charitable contributions, whether in forms of monetary or others (Setting up an activity for recruiting volunteer to take the blind to join Dhama practice at Satiendhamasathan).
- To ensure that charitable contributions are not used as a subterfuge for bribery, in each making contribution, the Company and/or relevant division is required to provide paper specifying details of charitable contributions and submit it to the Chief Executive Officer for consideration and approval.

Apart from publicized this policy in our intranet, to be acknowledged this policy by employees, the Company has communicated and trained our executives and employees by stating this policy at 29 times of orientation and annual re-orientation.

In this respect, any suspicion that may lead to engaging in corruption and bribery can be whistled and submitted through email: CAC@vgi.co.th, in which the complaint will be directly sent to high level relevant person of the organisation and can be

sure that the Company will confidentially keep the complaint's information, in order to protect the complaint's right. In this respect, the Company will appoint a person to be responsible for every clue that submitted to the Company. The Company also regularly assesses risk in activities that in connection with or lead to corruption and bribery.

Intellectual Property and Copyright

The Company sets policy against any infringement of intellectual property, in which all directors, executives and employees must not infringe on computer software by downloading and/or installing any programs those do not process by the Information Technology Division. In addition, the Company has assigned the Information Technology Division to be responsible for the monitoring and inspection to prevent any copyright infringement of computer software regularly.

Information Technology and Communications

The Company places emphasis on the policy on the use of information technology and communications by setting an information security standard to prevent or reduce any leak of significant or confidential information, whether intentionally or unintentionally. We have established a set of guidelines and procedures on the use of Information Technology and Communications, which are based on the international standard, i.e. ISO 12207 established by Institute of Electrical and Electronics Engineers (IEEE) and Control Objectives for Information and Related Technology (COBIT) published by IT Governance Institute.

Any of the Company's confidential documents and information will only be kept in the system of the relevant division, of which cannot be reached by others irrelevant divisions. It then limits only the relevant employees to access in.

Moreover, the Information Technology Division is required to keep the employees' traffic information as required by the Computer-Related Crime Act B.E. 2550 and the Notification of the Ministry of Information and Communication Technology Re: Rules on the Record of Traffic Information by the Service Provider.

Filing a Complaint

The Company has provided a channel for the stakeholders of all groups can contact or complain on the matter that may be a problem with (1) the Board of Directors directly through the Company Secretary Division and/or (2) the Audit Committee directly through Internal Audit Division, as follows; moreover, the complainant can be sure that the Company shall keep his information confidential.

Company Secretary Division	Tel: +66 (0) 2273 8884 # 554, 556 or 557 Fax: +66 (0) 2273 8883 Email: companysecretary@vgi.co.th Or by postal mail to the Company Secretary Division according to the Company's address
Internal Audit Division	Tel: +66 (0) 2273 8611-15 # 1539, 1544 or 1547 Fax: +66 (0) 2273 8616 Email: internalaudit@vgi.co.th Or by postal mail to the Internal Audit Division according to the Company's address

For employees, as the Company believes that the employees are the main successful factor and valuable resource in business operation, the Company provides a channel for the employee to file a complaint, e.g. Intranet. To be fair procedure and treatment, the methods and procedures of filing a complaint, as well as the protection to employee and/or witness who filing a complaint, are in written regulation and guideline of human resource management, which publicly discloses to the employees through the Company's intranet.

Section 4 Disclosure and Transparency

Financial and Non-financial Disclosure

The Board of Directors has a duty to fully, sufficiently, reliably and on a timely basis disclose financial and non-financial information to all shareholders and stakeholders to ensure equal treatment. The Company shall develop the Company's website and regularly update information to ensure its completeness, accuracy and timeliness. Such disclosure shall be compiled with care, clarity, accuracy and transparency and also conveyed in a simple and concise language.

Investor Relations

The Company has placed a high priority on investors' and the public's attitude towards the Company. The Company therefore established an Investor Relations (IR) Department to be responsible for communications between the Company and investors, which includes shareholders, analysts and potential investors. For more information, please refer to *Section 4.1 Capital Market Review*.

For enquiries by shareholders and potential investors, please contact our Investor Relations Department, Miss Tisakorn Youngmod and Miss Chama Savetbodi at Telephone: +66 (0) 2273 8623, +66 (0) 2273 8639 or Email: ir@vgi.co.th.

Policy on Information Disclosure to the Public

The Company has a policy to disclose significant information to the public, namely the Company's objectives, financial status and performance, organisation and shareholding structure, voting rights, list of directors and their profiles, members of the sub-committees and executives including their shareholding, material foreseeable risk factors related to the business

operations and finances, corporate governance structures and policies as well as directors' responsibilities regarding the financial report and the report of the Chairman of the Audit Committee, information on the numbers of meetings each director and member of sub-committee attended in comparison with the number of meetings of the Board of Directors and sub-committee, as well as the profile of each director and executive, the criteria for determining the remuneration of the directors and executives, including the remuneration of directors individually, to report the information regarding the Company's business operations, information affecting the Company's share price, investment decision or the rights and benefits of shareholders in accordance with the notification of the SET and relevant laws and regulations. Additionally, the Company also discloses information as required by relevant regulations and law, including the financial reports and the Annual Report for investors, shareholders and potential investors to use in making investment decisions, via the SET and the Company's website.

Section 5 Board Responsibilities

The Board of Directors is committed to build the Company into a leading organisation, of which is leader of innovative lifestyle media networks and solutions, that is perceived at the international level as one of the most successful companies in Thailand with synergistic business operations, rigidity management and competent personnel that play a key role in determining the Company's vision, mission and strategy. The Board of Directors has the necessary leadership, vision and independence in making its decisions and takes responsibility for corporate governance for the utmost benefit of the



shareholders. The Board of Directors has duties and responsibilities to the Company's shareholders to monitor the Management performance. The duties of the Board of Directors and the Management are clearly segregated.

Components of the Board of Directors

As of March 31, 2015, there were 9 directors, and the number of directors is commensurate with the Company's size and the nature of its business. The Company considered the

components of the Board of Directors with the aim of creating diversity in terms of knowledge, experience and gender.

Additionally, the Board of Directors appoints sub-committees to assist and monitor the management system to ensure the compliance with the Company's corporate governance policies, i.e. (1) the Audit Committee, (2) the Executive Committee (3) the Nomination and Remuneration Committee and (4) the Corporate Governance Committee, the details of authorities and scope of duties and responsibilities of each sub-committee are as follows:

(1) The Audit Committee

The Audit Committee must comprise of not less than three members of the Independent Director of the Company, one of which shall be elected as Chairman of the Audit Committee. As of March 31, 2015, the Audit Committee of the Company consisted of three members as follows:

No.	Name	Position	Meeting attendance in 2014/2015 (April 1, 2014 - March 31, 2015)
1.	Mrs. Jaruporn Viyanant	Chairman of the Audit Committee	9/9
2.	Mrs. Maneeporn Siriwatanawong	Member of the Audit Committee	9/9
3.	Mr. Mana Jantanayingyong	Member of the Audit Committee	9/9

Mr. Pipop Intharathat is the Secretary to the Audit Committee.

Remarks: Mrs. Jaruporn Viyanant and Mrs. Maneeporn Siriwatanawong are members of the Audit Committee, who is knowledgeable and experienced in reviewing the Company's financial statements.

Scope of Duties and Responsibilities of the Audit Committee

- To review the Company's financial reporting process to ensure that it is accurate and adequate;
- To review the Company's internal control system and internal audit system to ensure their appropriateness and efficiency, to consider the adequacy of the budget and manpower and to review the independence of the Internal Audit Office as well as to approve the appointment, transfer and dismissal of the head of the Internal Audit Office or any other unit in charge of an internal audit;
- To review that the Company is in compliance with securities and exchange laws, the regulations of the SET and the laws relevant to the Company's businesses;
- To consider, select, nominate and dismiss independent person(s) to be elected as the Company's external auditor(s) as well as to propose their remuneration, and to attend a non-management meeting with the external auditor(s) at least once a year;
- To consider the connected transactions or the transactions that may lead to conflict of interests to ensure that those transactions are in compliance with the laws and regulations of the SET, and are justifiable and for the utmost benefit of the Company;
- To prepare and disclose in the Company's Annual Report, the Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information:
 - An opinion on the accuracy, completeness and credibility of the Company's financial report;
 - An opinion on the adequacy of the Company's internal control system;
 - An opinion on the compliance with the securities and exchange laws, the regulations of the SET, Capital Market Supervisory Board or the laws relevant to the Company's businesses;
 - An opinion on the suitability of the external auditor(s);
 - An opinion on the transactions that may lead to conflict of interests;
 - The number of the Audit Committee's meeting, and the meeting attendance by each committee member;
 - An opinion or overview comment of the Audit Committee derived from their performance of duties under the scope of the Audit Committee Charter;
 - Other transactions which should be known to the shareholders and general investors, and are in the scope of duties and responsibilities assigned by the Board of Directors;

7. To perform any other duties as assigned by the Board of Directors as the Audit Committee may agree;
 8. To consult with independent consultants as appropriate. Any relevant consulting fee should be realized as the Company's expenditures;
 9. To review regulations and the preceding fiscal year operational result at least once a year.
2. Neither being a director who has been assigned by the Board of Directors to be the decision maker in the business operations of the Company, the parent company, the subsidiaries, the associated companies, the subsidiaries ranked in the same level, the major shareholders or the controlling person of the Company;
 3. Neither being a director of the parent company, the subsidiaries, or the subsidiaries ranked in the same level, which are the listed companies;
 4. Being knowledgeable and experienced in performing his duty as a member of the Audit Committee. At least one member must be knowledgeable and experienced in reviewing the accountability of the financial statements;
 5. Having full and proper qualifications in accordance with the laws and regulations of the authorities.

Qualifications of the Members of the Audit Committee

Apart from the qualification as Independent Director, the members of the Audit Committee shall possess the additional qualification as follows:

1. Being appointed by the Board of Directors to be a member of the Audit Committee;

(2) The Nomination and Remuneration Committee

As of March 31, 2015, there were 5 members of the Nomination and Remuneration Committee, as follows:

No.	Name	Position	Meeting attendance in 2014/2015 (April 1, 2014 - March 31, 2015)
1.	Mrs. Jaruporn Viyanant	Chairman of the Nomination and Remuneration Committee*	2/2
2.	Mrs. Maneeporn Siriwatanawong	Member of the Nomination and Remuneration Committee	2/2
3.	Mr. Mana Jantanayingyong	Member of the Nomination and Remuneration Committee	2/2
4.	Mr. Marut Arthakaivalvatee	Member of the Nomination and Remuneration Committee	2/2
5.	Mr. Chan Kin Tak	Member of the Nomination and Remuneration Committee	2/2

Mrs. Sununya Srinoikhao, Human Resources Director is the Secretary to the Nomination and Remuneration Committee.

* The Board of Directors' Meeting No. 4/2015, held on March 20, 2015 resolved to appoint Mrs. Maneeporn Siriwatanawong to take position of the Chairman of the Nomination and Remuneration Committee, replacing Mrs. Jaruporn Viyanant who will remain a member of the Nomination and Remuneration Committee. This shall be effective from April 1, 2015 onwards.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

1. To consider and provide opinion on the Board of Directors' structure, such as the appropriate size and composition of the Board of Directors, considering the Company's size and business strategy in comparison with the current size and composition of the Board of Directors as well as to review the independency of each of the Independent Directors, so as to adjust the Board of Directors' structure to be in line with the Company's strategy;
2. To determine the criteria and process in selecting persons for the position of Directors, by considering:
 - Qualifications of the Directors which are in line with the Company's strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors;
3. To select Directors who have qualifications in accordance with the specified qualifications:
 - The appropriateness of their knowledge, experience, expertise and time availability as well as other requirements as stipulated by the laws or regulations of the government authorities;
 - In case where the Directors retire by rotation, to recommend the person(s) to the Board of Directors for approval and to further propose to the shareholders' meeting for consideration and approval;
 - In case of any vacancy in the Board of Directors for reasons other than the retirement by rotation, to propose the person(s) to the Board of Director(s) to replace the vacant position;
 - In case of any need on the appointment of additional Director(s) to meet the Board of Directors' structure, to recommend the person(s) to the Board of Directors for approval and to further propose to the shareholders' meeting for consideration and approval;

4. To consider the structure, amount, form and criteria for all types of remuneration (monetary and non-monetary) to be payable to the Chairman of the Board of Directors, Directors and members of the sub-committees, taking into account the remuneration of other companies in the same industry or with the same range of market capitalization in order to motivate and maintain the valuable Directors with the Company, and to propose to the Board of Directors for approval and further propose to the shareholders' meeting for consideration and approval;
5. To consider the performance assessment criteria of the Chairman of the Executive Committee and the Chief Executive Officer and to present the result of such assessment to the Board of Directors for approval, as well as to propose the amount and form of remuneration of the Chairman of the Executive Committee and the Chief Executive Officer, in correspondence with the result of the performance assessment, to the Board of Directors for consideration and approval;
6. To consider the appropriateness and conditions in offering new shares, warrants, or other securities to the Directors and employees as motivation for the Directors and employees to perform their duties in order to create long-term value for the shareholders and to maintain the qualified employees with the Company, provided that the criteria shall be impartial to the shareholders;
7. To report the performance result of the Nomination and Remuneration Committee to the Board of Directors and/or the shareholders' meeting;
8. To perform any other acts related to the nomination of Directors and determination of remuneration as assigned by the Board of Directors and to perform any other acts as stipulated by the laws and regulations of the government authorities;

(3) The Executive Committee

As of March 31, 2015, there were 8 members of the Executive Committee, as follows;

No.	Name	Position	Meeting attendance in 2014/2015 (April 1, 2014 - March 31, 2015)
1.	Mr. Kavin Kanjanapas	Chairman of the Executive Committee	9/15
2.	Mr. Marut Arthakaivalvatee	Chief Executive Officer	15/15
3.	Mr. Chan Kin Tak	Chief Operating Officer	14/15
4.	Mrs. Oranuch Rujirawona	Chief Sales and Marketing Officer	14/15
5.	Mr. Chavin Kalayanamitr	Chief Technology Officer	12/15
6.	Mrs. Suparanan Tanviruch	Chief Financial Officer	15/15
7.	Ms. Catharin Jirarudee	Chief Legal and Compliance Officer	15/15
8.	M.L. Kriengkrai Hastindra	Deputy Chief Sales and Marketing Officer	14/15

Miss Catharin Jirarudee is Secretary to the Executive Committee.

Remark The Board of Directors' Meeting No. 4/2015 held on March 20, 2015 resolved to approve the change in position's names of the Chief Executive Officer and the Chairman of the Executive Committee, in which it is reflected only in Thai and shall be effective from April 1, 2015 onwards.

Scope of Duties and Responsibilities of the Executive Committee

1. To determine the business policy, direction, strategy, and the management structure of the Company's business operations to be suitable to economic and competition conditions, and to propose such to the Board of Directors for approval;
2. To prepare a business plan and a budget, and to define the authority of the Company's management, and to propose such to the Board of Directors for approval;
3. To review and monitor the Company's performance to ensure compliance with approved policy and the business plan, and to ensure efficiency and effectiveness, and to report such to the meeting of Board of Directors;
4. To consider and approve the entry into any agreements and/or transactions concerning the Company's normal course of business or supporting normal course of business (such as sales and purchases, investments, or joint investments in the Company's interests within its scope of objectives), with a transaction value as approved by the Board of Directors;
5. To consider and approve the borrowing of any loans or credit facilities from financial institutions, as well as lending, pledging, mortgaging, creating encumbrance or entering into guarantee agreements by the Company or subsidiaries, with a transaction value as approved by the Board of Directors;



6. To consider and approve related party transaction in which the Company and subsidiary enters into with a director, an executive, or a related party, provided that such related party transaction are (1) the Company's normal course of business having general trading conditions or (2) the Company's supporting normal course of business having general trading conditions with transaction value as approved by the Board of Directors;
7. To consider and approve any communications, and registrations with the state agencies or regulators as well as making payment, in which the Company has legal obligation, including but not limit to fee and/or tax, on behalf of the Company in the Company's interests within the scope of the Company's objectives;
8. To manage the overall risk of the organisation, to evaluate such risk, and to plan the Company's risk management structure;
9. To consider and approve opening and closing bank accounts, as well as utilizing any services provided by commercial banks, including determining the authorized signatories for the Company's bank accounts;
10. To consider, approve, perform and monitor matter concerning the Company's normal course of business or the Company's routine work, which including but not limited to consideration rate policy and salary structure of the employees, the Company's normal expenses and lawsuit, whether the Company charges or is charged (as the Executive Committee deems it necessary and appropriate to report for acknowledgement further);
11. To pre-consider projects, agreements, transactions and/or any other operations, in which it beyond authority of the Executive Committee, in order to propose to the Board of Directors for consideration and approval further, unless matters falling within responsibility and/or authority of any other sub-committee of the Company, who will pre-consider and propose such directly to the Board of Directors;
12. To consider and approve the performance and operation of the Company's projects, as approved by the Board of Directors, and to report to the Board of Directors on the progress of such projects;
13. To consider and approve the hire of advisors to perform in accordance with the Company's project and in connection with the Company's normal course of business or supporting normal course of business;
14. To consider, approve or acknowledge any other matters, in which the Executive Committee deems it necessary or appropriate to solve the matter urgently, as it may creates any damages, and to report such to the Board of Directors immediately;
15. To authorize any person to perform any act under the supervision of the Executive Committee, or to empower such person as the Executive Committee deems appropriate and for a period that the Executive Committee deems appropriate, which the Executive Committee may, at any time, cancel, revoke, alter, or amend, as it deemed appropriate;
16. To consider, approve and perform other tasks, as assigned by the Board of Directors occasionally.

However, the scope of duties and responsibilities of the Executive Committee shall not be an authorization or sub-authorization that allows the Executive Committee and/or any authorized person who has a conflict of interests, any concerned or a conflict of any kind with the Company or its subsidiaries to approve such a transaction. In such cases, the Executive Committee shall have no authorization to approve such transactions, and it shall be proposed for consideration and approval by the Board of Directors and/or the Shareholders' Meeting (as the case may be), unless such transactions are in the normal course of the Company's business and are at arm's length basis.

(4) The Corporate Governance Committee

The Board of Directors' Meeting No. 4/2015, held on March 20, 2015, resolved to appoint the Corporate Governance Committee, which consists of the following members:

No.	Name	Position
1.	Mrs. Jaruporn Viyanant	Chairman of the Corporate Governance Committee
2.	Mr. Marut Arthakaivalvatee	Member of the Corporate Governance Committee
3.	Mr. Chan Kin Tak	Member of the Corporate Governance Committee

Miss Tamtawan Srilaemthong is the Secretary to the Corporate Governance Committee.

Scope of duties and responsibilities of the Corporate Governance Committee

1. To consider, determine, review, and update the Corporate Governance Policy and Code of Conduct to be in line with the international standard practices and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of such Corporate Governance Policy and Code of Conduct;
2. To consider, determine, review, and update the Corporate Social Responsibility (CSR) policy and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of such CSR policy;
3. To consider, determine, review, and update the Policy and Guideline on Anti-Corruption and Bribery and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of the Policy and Guideline on Anti-Corruption and Bribery;
4. To report their performance to the Board of Directors and/or at the shareholders' meeting;
5. To conduct an evaluation of the performance of the Corporate Governance Committee on an annual basis and report the evaluation result to the Board of Directors;
6. To appoint the working group to assist the Corporate Governance Committee in performing their duties as well as to appoint the independent expert consultants for providing advice and assistance for the performance of duties by the Corporate Governance Committee;
7. To perform or undertake other tasks as the Board of Directors may assign and to perform any other acts as stipulated by laws or regulations of the authorities.

Director Personal Skill Development

The Company has a policy to encourage the Directors to attend the training programs in order to develop their personal skills and knowledge regularly and adequately. In 2014/2015, there were 3 Directors attending the training programs, of which details are as follows:

Name	Training Program
Mr. Marut Arthakaivalvatee	<ul style="list-style-type: none"> • Anti-Corruption for Executive Program (ACEP), Thai Institute Of Directors • Academy of Business Creativity (ABC 2), Year 2014, Sripatum University
Mrs. Jaruporn Viyanant	<ul style="list-style-type: none"> • CG Forum 2/2014: Corporate Governance in the Perspective of Investors, the SET • Seminar "Audit Committee Challenge regarding responsibility of reviewing financial and non-financial information", the SEC • Seminar "Anti Corruption Seminar 1/2015: 400 companies for preventing systematic corruption", Thai Institute Of Directors
Mrs. Maneeporn Siriwatanawong	Seminar "Going through evaluation", EY Office Limited

Moreover, the Board of Directors determines the guidelines for the case where there is an appointment of new directors, i.e. the Company holds orientation meetings for new members of the Board of Directors. In these meetings, it briefs on the Company's visions, mission and core value. Material documents are also provided to new directors, including the Memorandum and Articles of Association of the Company, and the Company's latest Annual Report. The main areas of focus are roles and responsibilities of the Board of Directors and sub-committees, Corporate Governance Policy and Code of Conduct of the Company's Group.

Succession Plan

The Company has established succession plan for the senior Executive with the purpose for (1) having successor in key position for business continuity operation, (2) fulfilling the Company's business plan regarding preparation for the readiness of manpower and (3) preparing career part on a high level position as well as increasing job satisfaction as the Company will select internal employee who has potential capability before recruiting the applicants from outside. In this respect, the Company has considered key position, which is required succession plan, that the Company selects successor by considering many factors, i.e. age, experience, their performance.

The Board of Directors' and Sub-Committee's Meetings

The Board of Directors will hold more than 6 meetings in each fiscal year to acknowledge and monitor various matters of the Company by having the Independent Directors to examine and balance the administration of the Board of Directors. (i) To facilitate the Directors to make time availability, the Company provides and notifies the annual meeting schedule set in advance to the Board of Directors and (ii) to allow the Directors to have sufficient time to study the information, the Company provides invitation to the meeting together with its materials to the Directors in advance at least 7 days prior to the meeting.

For sub-committees, the Company will hold the meeting in each year at least:

Sub-Committees	At least meeting holds each year
The Audit Committee	4 meetings
The Executive Committee	12 meetings (Monthly basis)
The Nomination and Remuneration Committee	2 meetings
The Corporate Governance Committee	2 meetings

In addition, the non-executive directors will hold a meeting as seem appropriated which shall be at least on annually basis without the attendance from the executive directors or management in order to allow a discussion on any issues of concern.

The details of meeting attendance of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Executive Committee can be seen in each part of them.

Assessment of the performance of the Board of Directors and Sub-Committee

The Board of Directors conducts a self assessment of its annual performance through both group evaluation and the individual evaluation, so as to review their accomplishments, problems, and other obstacles for further correction and improvement for efficient performance. The details of this year assessment are as follows:

1. Assessment of the performance of the Board of Directors on Group Evaluation

The Board of Directors has conducted a self assessment on group evaluation by sending assessment form to all members of the Board of Directors to allow the Directors to study the criteria assessment in advance. In the meeting, the Board of Directors then is able to conduct assessment and make discussion effectively. The Board of Directors' meeting No. 5/2015 held on April 16, 2015, has mutually conduct its performance on 6 various aspects, i.e. (1) structure and characteristics of the Board of Directors, (2) roles and responsibilities of the Board of Directors, (3) the Board of Directors' meetings, (4) the Board of Directors' performance, (5) relationship with Management, (6) development of the Directors and the Executive development, in which the average score was equivalent to 98.52 per cent.

2. Assessment of the performance of the Board of Directors on Individual Evaluation

The Board of Directors has conducted a self assessment on individual evaluation by sending assessment form to all members of the Board of Directors to allow the Directors to conduct self assessment. After the completion of the assessment form by each director, the Company Secretary Division will summary and present the assessment result to the Board of Directors. In the Board of Directors' meeting No. 6/2015 held on May 6, 2015, the Company Secretary has report the summary in such, which its assessment criteria cover, their performance, the time allocation and advanced preparation for the attendance of the meeting and their independent opinion, suggestion or solution in operating the Company's business or other matters useful to the management, in which the average score was equivalent to 98.00 %.

Apart from the performance assessment of the Board of Directors, the Sub-Committees, namely the Audit Committee, the Nomination and Remuneration Committee and the Executive Committee, have also conducted a assessment on their accomplishments, problems, and other obstacles in order to improve operations and performance in the effective and efficient way.

Assessment of the performance and consideration of remuneration of the Chairman of the Executive Committee and Chief Executive Officer

The Nomination and Remuneration Committee is responsible to determine the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer by using the key performance indicators as follows; together with comparing with other companies in the same industry and the result of business operation performance, both short-term and long-term, and propose such to Board of Directors' meeting for approval on annual basis.

Key Performance Indicator

Chairman of the Executive Committee

- Shareholder's wealth
 - To provide the Corporate Governance to the Company (Corporate Governance)
 - To provide the Social Responsibilities to the Company (Social Responsibilities)
 - Relationship with customers, landlords, and business alliance
-

Chief Executive Officer

- Performance by financial aspect (Financial)
 - Service and product recognized by the customers (Customer)
 - Internal process improvement (Operation Excellent)
 - People development
-

In the meeting of the Nomination and Remuneration Committee No. 2/2015 held on April 30, 2015, the Nomination and Remuneration Committee (by the Directors having no conflict of interest) has assessed the performances of the Chairman of the Executive Committee and the Chief Executive Officer, which resulted in (i) moderate to good performance and (ii) moderate performance, respectively. On May 6, 2015, this performances result, as well as an increase in salary and bonus of the Chairman of the Executive Committee and Chief Executive Officer, was presented to the Board of Directors' Meeting for consideration and approval.

Policy on holding position in other companies of the Directors and the Chief Executive Officer

The Board of Directors determine a policy to allow the Company's Directors being the directors of other listed companies not more than 5 ones so that the Directors could devote their full time to effectively perform their duty to the full extent.

For the Chief Executive Officer, the Board of Directors determines that the Chief Executive Officer should not hold the position of a director in other companies, save for the companies in the Company's Group and/or associate companies of the Company.

Investment and management policy on subsidiaries and associated company

The Company has a policy to invest in any businesses which support and promote the business of the Company. In this respect, the Company would consider the return on investment and other great interests which the Company would obtain from the investment, and also taking account of an appropriate proportion of investment and return on investment expected to receive for the benefits of the shareholders. The consideration

of each investment would be considered and approved by the Board of Directors and/or the meeting of the shareholders of the Company (as the case maybe).

In addition, the Company imposes the following measures to supervise, manage and monitor the operations of the subsidiaries and the associated company so as to protect the return on investment of the Company in the subsidiaries and the associated company:

1. dispatching its directors and/or the authorized person to act as the representatives in the number which proportionate to the Company's shareholding in the acquired companies, so as to have participation in deciding any important policy and/or management in those businesses, including the right to vote in the Board of Directors' meeting and shareholders' meeting for the best benefit of the Company; provided that, before each meeting of associate companies, the Executive Committee and/or the Board of Directors (as the case maybe) mutually considers the details of the agenda of the meeting to determine guideline to the Company's representative to cast the vote in the meeting.
2. examining any disclosures of financial status, business performance, transactions entered into between those companies and related persons, acquisition and disposition of assets or any significant transactions to be accurate and complete.
3. determining the appropriate, sufficient and prudent internal control system.

Auditors' Remuneration

The auditor's remuneration of the Company and its 4 subsidiaries for the fiscal year ended March 31, 2015 was THB 3mn, paid to EY Office Limited. The auditor's remuneration of VGI Ad China, the Company's subsidiary registered in the Republic of China, for the fiscal year ended March 31, 2015, was THB 0.15mn, paid to Shanghai Shangshen Certified Public Accounts Co., Ltd..

In the fiscal year ended March 31, 2015, the Company and its subsidiaries have used other services from EY Office Limited or have any business related to the auditor and EY Office Limited, i.e. conducting due diligence, which the amount of fee was THB 6.05mn.



5.3 Directors and Executives Nomination

The Nomination and Remuneration Committee is responsible person for determination of the criteria and processing in selecting persons for the position of Directors, by considering qualifications of the Directors which are in line with the Company's strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors. In this respect, such nominated person should have knowledge, experience, expertise and time availability as well as other requirements as stipulated by Public Company Limited Act B.E. 2535 (as amended), Securities and Exchange Act B.E. 2535 (as amended) and the relevant notifications of the Stock Exchange of Thailand and Capital Market Supervisory Board. The appointment of the Directors requires approval from the meeting of the Board of Directors (by the Directors having no conflict of interest) and/or the meeting of the shareholders (as the case maybe). In this regards, in case of the nomination of additional Director(s), the Nomination and Remuneration Committee may consider using of Professional Search Firm or Director Pool.

In case of the nomination of Independent Director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Directors, which is more stringent than the requirements of the SEC and the SET. (Please see details in Section 5.1 Corporate Governance Structure)

For the nomination of Director(s) to propose to the Board of Directors' meeting and to further propose to the 2015 Annual General Meeting of Shareholders, the Nomination and Remuneration Committee (by the Directors having no conflict of interest) has considered (i) structure of the Board of Directors in order to create the diversity in the Board of Directors, (ii) appropriateness of qualifications, and (iii) capability of the director which is necessary but be lacking in the Board of Directors of the Company by making the Board Skill Matrix. In accordance with the principle of the Good

Corporate Governance, the Company, during December 22, 2014 to March 23, 2015, has provided the opportunity to have the minority shareholders who are collectively holding their shares at least 5 per cent of the Company's total issued shares and continually holding those shares for at least 6 months, propose candidates to be elected as Directors in the 2015 Annual General Meeting of Shareholders. The criteria to propose candidates by the minority shareholders to be elected as Directors were publicly disclosed in the Company's website. However, there were eventually no shareholders proposing any candidate to be elected as the Director of the Company.

Meanwhile, the members of the Executive Committee are appointed from the Board of Directors and the Company's executives to lighten the load of the Board of Directors from routine jobs exceeding the authorization of Chief Executive Officer. This is for the purpose of that the Board of Directors can manage the job on policy and managerial governance more easily. The Executive Committee will initially consider the appointment of member(s) of the Executive Committee by considering the appropriateness of their knowledge, experience and expertise for the job position, and propose to the Board of Directors for consideration and approval.

Remuneration for the Directors and the Executives

1. Remuneration for the directors

Monetary remuneration

The Nomination and Remuneration Committee has considered and determined the 2014 directors' remuneration by consideration from the size of business and the scopes of duties and responsibilities of the Board of Directors in comparison with other companies with the same range of market capitalization and listed in the SET. The 2014 directors' remuneration has been approved by the 2014 Annual General Meeting of Shareholders held on July 3, 2014. Details of the comparison of directors' remuneration (included the Executives who take position of Director) between Year 2014 and Year 2013 are as follows:

Monthly Remuneration	Rate	
	Year 2014	Year 2013
Chairman of the Board of Directors	60,000 THB/Month	60,000 THB/Month
Chairman of the Audit Committee	50,000 THB/Month	50,000 THB/Month
Directors	30,000 THB/Month	30,000 THB/Month

Meeting allowance	Rate	
	Year 2014	Year 2013
The Board of Directors	None	None
The Audit Committee		
- Chairman of the Audit Committee	20,000 THB/Attendance	20,000 THB/Attendance
- Member of the Audit Committee	20,000 THB/Person/Attendance	20,000 THB/Person/Attendance
The Nomination and Remuneration Committee		
- Chairman of the Nomination and Remuneration Committee	20,000 THB/Attendance	20,000 THB/Attendance
- Member of the Nomination and Remuneration Committee	20,000 THB/Person/Attendance	20,000 THB/Person/Attendance
The Executive Committee	None	None

Bonus

The 2014 Annual General Meeting of Shareholders held on July 3, 2014 has resolved to approve the directors' bonus at the rate of 0.5 per cent of the annual dividend of the Company paid to the shareholders from the business operation for the fiscal year ended March 31, 2014 (April 1, 2013 - March 31, 2014), of which are the directors' bonus in the amount of not exceeding THB 5.265mn. After the 2014 Annual General Meeting of Shareholders has approved directors' bonus, the Board of Directors' Meeting No. 4/2014 has allocated directors' bonus by equally dividing into 10 portions, 2 portions for the Chairman of the Board of Directors and one portion for each director.

Details of each Director's remuneration for the fiscal year of 2014/2015 (April 1, 2014 to March 31, 2015) are as follows:

Name	Remuneration	Meeting allowance	Bonus	Total
1. Mr. Keeree Kanjanapas	720,000	-	1,053,000	1,773,000
2. Mr. Kavin Kanjanapas	360,000	-	526,500	886,500
3. Mr. Kong Chi Keung	360,000	-	526,500	886,500
4. Mr. Surapong Laoha-unya	360,000	-	526,500	886,500
5. Mr. Marut Arthakaivalvatee	360,000	40,000	526,500	926,500
6. Mr. Chan Kin Tak	360,000	40,000	526,500	926,500
7. Mrs. Jaruporn Viyanant	600,000	220,000	526,500	1,346,500
8. Mrs. Maneeporn Siriwatanawong	360,000	220,000	526,500	1,106,500
9. Mr. Mana Jantanayingyong	360,000	220,000	526,500	1,106,500

For the directors' Bonus for the fiscal year of 2014/2015, the Board of Directors approved to propose to the 2015 Annual General Meeting of Shareholders to consider and determine the directors' bonus in the amount of THB 2.10mn or equivalent to 0.3 per cent of the annual actual cash dividend of the Company paid to the shareholders from the business operation for the fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015), (once comparing with the previously year, which directors' bonus is in the amount of THB 5.265mn or equivalent to 0.5 per cent of the annual dividend of the Company, it is reduced at approximately to 60 per cent). The directors' bonus shall be allocated among the Directors at their discretion after the shareholders' meeting passes resolution approving the directors' bonus.

Non-monetary remuneration

- None -

2. Remuneration for the Executives

The Nomination and Remuneration Committee is responsible person for considering and determining the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer by using assessment result of the performance as key performance indicators, and propose such to the Board of Directors' Meeting for approval. (Please see the details of key performance indicators of the Chairman of the Executive Committee and the Chief Executive Officer in Section 5.2 Corporate Governance Policy)

For senior executives positioning lower than the Executive Committee, the Chief Executive Officer shall consider the appropriateness of the executives' remuneration individually and propose such to the Board of Directors' Meeting for consideration and approval. Details of the comparison of executives' remuneration (excluded the remuneration of executives who take position of Director) between Year 2014/2015, Year 2013/2014 and Year 2012/2013 are as follows:

	2014/2015	2013/2014	2012/2013
Number of person	9	9	9
Remuneration (THB mn)	47.97	65.79	56.79



5.4 Internal Control and Risk Management

The effective internal control system would enable the companies to be operated in the way that the Company could successfully achieve its objectives, especially in regard to (1) effectiveness and efficiency (2) credibility of the financial report and (3) compliance with laws. Consequently, the Company has continuously emphasized importance of the internal control. In this regard, the Board of Director assigned the Audit Committee to review and assess the internal control system and then propose to the Board of Directors in order to establish guidelines of corporate governance policy and effective internal control system, which consist of Control Environment, Risk Management, Control Activities, Information and Communication and Monitoring Activities, for the purpose of effectiveness and efficiency.

In the Board of Directors' Meeting No. 6/2015 held on May 6, 2015, of which there are 3 independent directors attending this meeting, the Board of Directors made an evaluation of adequacy of internal control system by inquiring information from the management, then reviewed the guidelines and provided the opinion that the internal control system of the Company is effectively adequate and appropriate for operating the Company's business to achieve the Company's objectives and target in the effective way. It was further considered in the Meeting that the Company has sufficient manpower to effectively implement the internal control system, the internal control system enables the Company to monitor and control an operation of the Company's subsidiaries in the way that assets of the Company and the subsidiaries can be prevented from any fraud or any misconduct as behaved without authority, including to cover transactions as entered or to be entered into with the persons having the conflict of interest and with the connected persons of the Company. Those could be summarized as follows:

1. Control Environment

The organisation chart and the good working environment are the firm basis for the efficient internal control system. In order to create an environment of the good internal control system, the Company has the organisation chart with having each line of work, a chain of command and relations among all Company's departments. In addition, the Company has continuously improved the internal control system in the light of actual business operation and supported each department to perform their functions so that they could reach their targets as approved

by the Board of Directors. Their performance then has been evaluated on the quarterly basis in order to be appropriately adjusted to the Company's business targets. Moreover, the Company has prepared policies and procedures concerning approvals of transactions in relation to finance, procurement, management and the Code of Conduct, employee manuals and penalties in case of violation of those requirements so that the Company could prevent corruption and use of inside information to cause conflict of interest. The Company has conveyed those to all employees for their acknowledgment and also publicly disclosed at the intranet of the Company. Furthermore, the Company has emphasized development of capacity of the Company's employees. In order to reflect such, the Company has arranged for the training course to the employees so as to increase the employees' capacity and knowledge. Additionally, the Company has also encouraged the management in the middle level to participate in making the Company's business plan in order to increase broader participation and stimulate job satisfaction.

2. Risk Management

The Company has identified, analysed and evaluated both external and internal factors, including possible factors which would probable contribute to the corruption and impact on achievement of the Company's objectives. This would result that the Company could impose a measure to mitigate risks which would probably incur to the extent that those remain at appropriate and acceptable level for the Company. In addition, the Company at all time has followed up a change of those factors which would have possibility of affecting attainment of the Company's target, for example, economic trend, industrial growth. The Company has also conveyed that measure to the relevant employees in all levels so that they would implement those in the same direction. The Company has constantly stressed that all employees must bear responsibility for risk management. A framework of the COSO (the Committee of Sponsoring Organisation of Tradeway Commission) was applied to be used in the Company in order to evaluate and prepare plan of risk management of the Company. In this regard, the Board of Directors has assigned the Executive Committee to have the duties to manage and evaluate overall risks, throughout the Company, including establish a risk management structure of the Company. The Executive Committee already reported result of risk management for the year of 2014/2015 to the Board of Directors in order to use it

as one of all elements to determine the Company's business target. Furthermore, the Company has the Internal Audit Office which has the duty to examine independently a procedure of risk management and assess an effectiveness of internal control system. In the year of 2014/2015, the Company has provided enterprise business continuity plan.

3. Control Activities

The Company has written policy, procedures and operation manuals, including a measure to ensure that the policies as provided by the management has been satisfied and implemented by all personnel of the Company. Those policy, procedures, operation manuals and measure have specified a scope of authorities and responsibilities, and authorized limit of approval for each level of management which has been clearly elaborated and in writing. Those were clearly divided into (a) authority of purchase, (b) authority of recording an accounting transaction and (c) assets keeping and collection, so that the Company can cross-check and monitor in the effective way. In addition, the Company has established code and framework in relation to entering into transactions with major shareholders, directors, executives and any persons related to those. Moreover, the Company has apparently established the policy, procedures and general framework in regard to entering into connected transactions which is in compliance with the rules of the SET, and of the SEC, and also specify procedures and persons who have authority to approve, one of those covers the persons concerned to take the opportunity of benefits of the Company for their own interest.

Apart from those as above-mentioned, the Company has continuously monitored and controlled the Company's subsidiaries, and has also provided a direction to be implemented by persons as appointed by the Company to act as the directors and executives of the Company's subsidiaries. Additionally, the Company has formulated a policy to cross-check and to monitor the operations of the Company and the subsidiaries to be in compliance with relevant laws.

4. Information & Communication

One of all criteria in order to perform the duty with care is making a decision on the basis of qualitative and sufficient information. As a result, important and correct information must be provided to the Board of Directors, Executives, stakeholders such as the shareholders, in the time manner. In this regard, the Company has implemented as follows:

- (a) delivering an invitation to the Board of Directors' meeting together with material supporting information to the directors at least 7 days in advance.
- (b) preparing the minutes of the Board of Directors' meeting with the sufficient details and providing recording on the queries, comments, recommendation, and observation of the directors, including opinions of any directors who disagree on any matters, with relevant rationale.
- (c) disclosing important information according to the specified rules and/or that might have any effect on the price of the Company's securities.
- (d) preparing management report for the Executive Committee on the monthly and quarterly basis. The monthly report includes the Company performance analysis compare to targets. The quarterly report includes market share report and overall Thai advertising spending compares to the Company's performance.

Furthermore, the Company has Investor Relations Department to response to enquiries from investors. The Company also provides communication channels via email and mail, for all stakeholders to contact or sending complaint. Those enquiries will be collected and presented to the Board of Directors.

5. Monitoring Activities

The Company has followed-up the implementation of the goals as aimed and creditability inside the Company which they have been improved regularly and continuously, for example, the Board of Directors set a meeting quarterly in order to consider business operation and performance in comparison to targets. In addition, the Company has also had the Internal Audit Office which has been under the Audit Committee. The Internal Audit Office has the responsibility to review and evaluate the internal control system and propose any recommendation to improve the relevant processes in order to ensure that the internal control system is fully effective and efficient. In order to maintain full independence, the Internal Audit Office has directly reported to the Audit Committee. In the event that any importance defects have been discovered, the relevant persons who are in charge must directly report to the Board of Directors or the Audit Committee in order to clarify causes and also suggest an effective solution to those problems. Furthermore, the Company has also followed up progress in correcting those defects and then reported to the Board of Directors and the Audit Committee in the timely manner as specified.

Opinion of the Audit Committee and the Auditor on the internal control system of the Company

The Board of Directors has evaluated the adequacy of internal control system from the assessment report of the Audit Committee in 5 components, namely above. It was concluded that the Company has sufficient internal control system and appropriate for business operation. There were no major defects in the internal control system.

In addition, the auditor has taken the view in regard to the appropriate internal control which is consistent with the Board of Directors that there is no observation which is significant for any defect in the Company's internal control system. It consisted of a prevention of the Company's and its subsidiaries' assets against the misconduct of use of assets or the use of assets without authority, a credibility of financial report which are in line with the accounting standard as generally accepted and the standard of financial report.

Internal Audit Office

The Internal Audit Office has responsibilities to review and evaluate data by both the financial and non-financial information on a regular basis, including reviewing the compliance with the internal principle. The objective is to ensure that the Company strictly abides by the regulations and the law, and to promote good corporate governance, good internal control, and achieve the operational objectives of the organisation.

The Internal Audit Division plans the internal audit annual plan and long term plan (three years plan). The audit plans are based on the assessment risks that affect Company's operations are covered the Company's operation. The plans are approved by the Audit Committee. The scope of Internal Audit Division covers the test, collate and assess the sufficiency and effectiveness internal control system of the Company, including the quality of performance in the following;

- Reliability of internal control as well as compliance with standards and accounts and financial policy to provide accurate and reliable accounting and financial information. Organisation plans, procedures and standard used to protect assets to be safe from all kinds of corruption;
- Reliability of internal control management and operations are consistent with the policy, plans, and according to the requirements of the law and regulation of government and supervisory authority. The Company's regulations are covering activities such as operation management, procurement, marketing, administration, finance, accounting and human resources;

- Reliability of internal control regarding information systems. To review the internal control structure that the computer systems department, access to information, access to program, data processing system, development, backup data, business continuity plan in case of emergency, authorities of system operation, documentation from system including storage of documentation, guideline and system flowchart.

The Internal Audit Office has reported the outcome on auditing to the Audit Committee on quarterly basis as well as regularly followed up the result on compliance of suggestion arisen from auditing. The Internal Audit Office is independent from other departments in the Company and is able to access to all relevant information and properties, and is entitled to require information and explanation from an audited person on the matters as determined and assigned by the Audit Committee. It is responsible for internal auditing, monitoring, controlling, examining, reviewing and evaluation of the operating results of all departments based on the roles and responsibilities assigned by the Audit Committee, including facilitating a risk self-assessment with all departments in the Company. The objective is to ensure that the internal control system is effective and efficient, the financial reporting is reliable and timely and the performance is based on the provision or rule of law, government regulations, regulatory bodies and standards, policy, plan, rules, regulations, notices of the Company, including to prevent damage that may occur to the Company. This department is an appropriate counterbalance, cross-checking between the Company's units to ensure reasonable accountability in the Company's operations and to achieve the Company's targets.

In addition, the Internal Audit Division has concerned the development of the staffs. The department always encourages their staffs to training to both internal training and external training in order to update the knowledge, increase audit profession, and other skills which are needed to practice.

Head of Internal Audit Office

In the Board of Directors' meeting No. 4/2012 held on May 8, 2012, the Company has established the Internal Audit Office and appointed Mr. Pipop Intaratut as the head of internal audit office of the Company, with the effective date on May 8, 2012. Mr. Pipop Intaratut has 9-years internal auditing experience in the business which its nature is the same as the Company's business and enrolled in various internal audit training programs, which are the Audit Committee Program (ACP) by IOD, Monitoring Fraud Risk Management (MFM) by

IOD, Monitoring the System of Internal Control and Risk Management (MIR) by IOD, Monitoring the Internal Audit Function (MIA) by IOD, Monitoring the Quality of Financial Reporting (MFR) by IOD, Company Secretary Program by IOD, Economic Value Added (EVA) by FPO, TLCA Annual Risk Management Conference 2011 by TLCA, CEO & Integrated Management by IIA, Audit Change from Internal Auditor to Consultant by IIA, ISO/IEC 27001:2013 Transition Training Course FDIS Stage by BSI Group, Anti-Corruption for Executive by IOD, Director Accreditation Program by IOD. Furthermore,

Mr. Pipop Intaratut has knowledge and well understanding in the Company's activities and operation. Therefore, the Board of Directors is of the opinion that Mr. Pipop Intaratut is suitable and adequate for this position

Consideration and approval on the appointment, dismissal, or transfer of the Company's head of Internal Audit office must be granted from the Audit Committee.



5.5 Related Party Transaction

Related party transactions among the Company and person who may have conflict of interest between the fiscal year ended March 31, 2014 and the fiscal year ended March 31, 2015 can be summarized in table below.

Person who may have conflict of interest / Relationship	Descriptions of Transactions	Transaction Value ended March 31, 2014 (THB mn)	Transaction Value ended March 31, 2015 (THB mn)	Necessity and Rationale of Transactions
<p>BTS Group Holding Public Company Limited (“BTSG”)</p> <ul style="list-style-type: none"> • BTSG is a major shareholder and a controlling juristic person of the Company • BTSG and the Company have 4 directors in common, namely, <ol style="list-style-type: none"> (1) Mr. Keeree Kanjanapas (2) Mr. Kavin Kanjanapas (3) Mr. Surapong Laoha-unya (4) Mr. Kong Chi Keung 	Expenses for the warrants to purchase the newly issued ordinary shares of BTSG, which issued and allocated to the employees in accordance with the BTS Group ESOP 2011 Scheme	0.69	0.00	To motivate the employees and to maintain key personnel to work with the BTSG’s group in the long run, BTSG has issued and allocated the warrants to purchase the newly issued ordinary shares of BTSG (the “Warrant”) to the employees of BTSG and its subsidiaries (BTS Group ESOP 2011 Scheme). In this respect, the Company has taken such Warrants to allocate to the Company’s employees, as one type of the employees’ remunerations. Thus, the Company had to pay BTSG for the 13.61mn units of the Warrants at the fair value at the rate of THB 0.27 per each (which was assessed by the independent appraiser), equivalent to THB 3.67mn.
	Expenses from using investor relations service	4.20	4.21	Since BTSG is listed company on the SET, which has its own investor relations department, and due to the fact that BTSG is the Company’s parent company, there are certain parts of business information database of the Company in common with those of BTSG. Using investor relations service from BTSG can create flexibility on working and can use the same teamwork to do road show for the two companies.
<p>Bangkok Mass Transit System Public Company Limited (“BTSC”)</p> <ul style="list-style-type: none"> • BTSC is a major shareholder and a controlling juristic person of the Company • BTSC and the Company have 3 directors in common, namely, <ol style="list-style-type: none"> (1) Mr. Keeree Kanjanapas (2) Mr. Kavin Kanjanapas (3) Mr. Surapong Laoha-unya 	Revenue from providing advertising media on BTS Skytrains and its stations	15.23	14.21	It was normal business transaction of the Company. The service fees charged to BTSC by the Company were at the same rate charged to other major customers.
	Concession fee and management fee	110.55	127.68	BTSC granted the Company the right to manage marketing service in BTS Skytrain system. The Company was then required to pay BTSC concession fee as agreed. Provided that, the rate of concession fee could be compared and be similar to the rate that same media business company paid.

Person who may have conflict of interest / Relationship	Descriptions of Transactions	Transaction Value ended March 31, 2014 (THB mn)	Transaction Value ended March 31, 2015 (THB mn)	Necessity and Rationale of Transactions
	Expenses from using the maintenance service for Platform Screen Doors system and its signaling	0.00	7.35	The Company is required to engage BTSC to be service provider for maintaining Platform Screen Doors system and its signaling, since (i) such jobs is required particular expertise and (ii) BTSC is person having participation in designing signaling. BTSC then has great experience and knowledge of system and how to make a solution in the case where there is problem.
<p>BTSAssetCompanyLimited (“BTS Assets”)¹</p> <ul style="list-style-type: none"> BTS Assets is a subsidiary of BTSG, whom is the major shareholder and the controlling juristic person of the Company. BTS Assets and the Company have 2 directors in common, namely, (1) Mr. Kavin Kanjanapas (2) Mr. Kong Chi Keung 	Expenses for room rentals, hotel service fees, service fees for arranging shareholders’ meeting of the Company at Eastin Grand Hotel Sathorn	5.37	1.14	It was supporting normal business transaction of the Company for having room rental, included meeting room, at Eastin Grand Hotel Sathorn, to greet the Company’s customer and to be venue for the shareholders’ meeting.
<p>Bangkok Smartcard System Company Limited (“BSS”)</p> <ul style="list-style-type: none"> BSS is a subsidiary of BTSC, whom is the major shareholder of the Company and the controlling juristic person of the Company. BSS and the Company have 3 directors in common, namely, (1) Mr. Keeree Kanjanapas (2) Mr. Kavin Kanjanapas (3) Mr. Surapong Laoha-unya 	Revenue from providing advertising media on BTS Skytrains and its stations	15.84	26.05	It was normal business transaction of the Company. The service fees charged to BSS by the Company were at the same rate charged to other major customers.
	Concession fee for being granted the exclusive right to manage advertising space on the face of rabbit card, which distribute on BTS station	0.00	5.00	It was normal business transaction of the Company, with the purpose of expansion the Company’s media type.

¹On April 20, 2015, BTSG disposed of all ordinary shares in BTS Assets to U City Public Company Limited (formerly known as Natural Park Public Company Limited, which 35.64 per cent of total issued shares are held by BTSG). BTSG then appointed its executive, i.e. (1) Mr. Surayut Thavikulwat and (2) Mr. Daniel Ross, to hold a position of director, in replacement of (1) Mr. Kavin Kanjanapas and (2) Mr. Kong Chi Keung.

Person who may have conflict of interest / Relationship	Descriptions of Transactions	Transaction Value ended March 31, 2014 (THB mn)	Transaction Value ended March 31, 2015 (THB mn)	Necessity and Rationale of Transactions
Carrot Rewards Company Limited ("Carrot Rewards") <ul style="list-style-type: none"> Carrot Rewards is a subsidiary of BTSG, whom is the major shareholder and the controlling juristic person of the Company. Carrot Rewards and the Company have 3 directors in common, namely, <ol style="list-style-type: none"> Mr. Keeree Kanjanapas Mr. Kavin Kanjanapas Mr. Surapong Laoha-unya 	Revenue from providing advertising media on BTS Skytrains and its stations	12.23	13.77	It was normal business transaction of the Company. The service fees charged to Carrot Rewards by the Company are at the same rate charged to other major customers.
	Concession fee for being granted the exclusive right to manage multimedia installed at Carrot Rewards Kiosks	0.00	2.67	It was normal business transaction of the Company, with the purpose of expansion the Company's media type.
Dnal Company Limited ("Dnal") <ul style="list-style-type: none"> Dnal is a subsidiary of BTSG, whom is the major shareholder and the controlling juristic person of the Company. BTSG and Dnal have the director in common, namely Mr. Rangsin Kritlak. 	Office building space rental	21.90	22.17	It was supporting normal business transaction of the Company for having expense for office building space rental used as office and advertisement storage of the Company and its subsidiaries due to its building is close to the BTS depot, which is convenient to install the equipment used in advertising on the BTS network. The term of rental agreement is 3 years, from 2013 to 2016. Each floor has a different rate, at the rate between Bath 470 to 480 per square meter per month, which was as same as charged to the third person. This rate was also similar to the rate charged by nearby office buildings, at the rate of THB 470 to THB 560 per square meter per month. Moreover, the Company has placed the deposit to Dnal for 3 months, which is comparable to leasing from the third parties.
	Expenses for advertising LCD in office building for the Company's customer	0.29	0.21	It was normal business transaction of the Company. The service rate paid to Dnal was the same rate that the Company pays to other owner of office buildings.

Person who may have conflict of interest / Relationship	Descriptions of Transactions	Transaction Value ended March 31, 2014 (THB mn)	Transaction Value ended March 31, 2015 (THB mn)	Necessity and Rationale of Transactions
<p>Man Kitchen Company Limited ("Man Kitchen")</p> <ul style="list-style-type: none"> Man Kitchen is a subsidiary of BTSG, whom is the major shareholder and the controlling juristic person of the Company. BTSG and Man Kitchen have 2 directors in common, namely, <ol style="list-style-type: none"> Mr. Kavin Kanjanapas Mr. Rangsin Kritlak. 	Expenses from using service at Chef Man Restaurant to greet the Company's customer	2.89	8.34	It was supporting normal business transaction of the Company for greeting the Company's customer. The service fees charged to the Company by Chef Man are at the same rate charged to other third parties.
<p>Hwakay Thai (Thailand) Company Limited ("Hwakay Thai")</p> <ul style="list-style-type: none"> Ms. Susan Kanjanapas, who is daughter of Mr. Keeree Kanjanapas, the Chairman of the Board of Directors, has the interest and controlling power more than 10 per cent in Oriental Field Ltd., which Oriental Field Ltd., has 49 per cent shareholding in Hwakay Thai. 	Room rental fees, hotel service fees and service on shareholders' meeting fee at Eastin Hotel Makkasan Bangkok	0.53	0.24	It was supporting normal business transaction of the Company for having room rental included meeting room at Eastin Hotel Makkasan Bangkok, to greet the Company's customer and to be venue for the shareholders' meeting. The service fees charged to the Company by Eastin Hotel Makkasan Bangkok are at the same rate charged to other third parties, but the Company was given credit term for payment of 30 days.

Measures or Procedure for approving Related Party Transactions

The Company has determined measures or procedure for approving related party transactions. The appropriateness of entering into related party transactions must be considered and reviewed by the Audit Committee by focusing on the best benefit of the Company. Moreover, if the Audit Committee does not possess expertise in reviewing such transaction, the Company will engage an independent appraiser or the Company's auditor to provide the opinion on such transaction in order to propose to the Audit Committee and/or the Board

of Directors and/or the shareholders, as the case may be, for consideration. In the process of approving the related party transactions, any person who may have conflict of interest is unable to vote for the related party transaction. The Company will disclose related party transactions in notes to the financial statements as audited by the Company's auditor, in the Annual Report of the Company, and in the Annual Registration Statement Disclosure Form (Form 56-1).



The Company's Policy of entering into Related Party Transaction

- (1) Both directors and executives of the Company and the subsidiaries shall prepare a report on conflicts of interest of their own or of their related party and then inform such conflicts of interest to the Company so that the Company has sufficient information in order to comply with the requirement of entering into related party transactions;
- (2) Any entry into transactions that may lead to conflicts of interest must be avoided;
- (3) In cases that entry into related party transactions is unavoidable, such related party transactions of the Company and the Company's subsidiaries must be proposed to the Executive Committee, the Audit Committee, the Board of Directors or the meeting of shareholders, as the case may be, for approval, except for the transactions which have general trading conditions and have been approved in principle by the Board of Directors;
- (4) In entry into related party transactions, the Company's internal procedure and the regulations of the Office of the SEC and the SET must be complied with;
- (5) The price and conditions of related party transactions shall be determined on an arm's length basis which shall be fair, reasonable and for the best interest of the Company comparable to those transactions as entered into with third parties. In case that there is no such price and conditions which is comparable with, the Company will use the price of product or service under the same or similar transactions of which other persons mutually entered into.

- (6) Any person who has conflicts of interest in a related party transaction is unable to vote for such transaction;
- (7) In considering a related party transaction, the Company or its subsidiary may appoint an independent appraiser to assess and compare the price of any important related party transaction to ensure that such related party transaction is reasonable and for the best interests of the Company.

Trend in entering into related party transaction

Although the Company has a policy of avoiding of entry into related party transactions that may lead to conflicts of interest, there would probably be continuities of related party transactions with the person(s) who may have conflict of interest in the future because the commercial agreements as the Company entered into in the past have still an effect or it is entered into due to normal business transaction of the Company.

In this respect, the Board of Directors shall comply with the securities and exchange law, relevant regulations, notification, orders or requirements relating to entering into related party transactions and acquisition and disposition of assets, so that making a decision of entering into those transactions will not create any conflict of interest and to be for the best benefits of all shareholders of the Company. The Company will disclose related party transactions in the Annual Registration Statement Disclosure Form (Form 56-1), in the Annual Report of the Company and footnotes to the financial statements as audited by the Company's auditor.



5.6 Profiles of Directors and Executives

Shares held by directors and executives, including shares held by their spouse and minor child. As at March 31, 2015, the Company has 6,863,978,450 total issued shares.

Mr. Keeree Kanjanapas

age 65

Position

Chairman (Authorized director to sign and bind the company)

Education

- Top Executive Program (CMA 10) Year 2010, Capital Market Academy
- Director Accreditation Program (DAP) Year 2011, Thai Institute of Directors

Shareholding in the Company (%)

37,188,458 (0.54%)

Family Relationship between Director and Executive

Father of Mr. Kavin Kanjanapas

Date of Appointment as Director

March 30, 2012

Working experience for 5-years period

Position in Listed Company

2012 - Present Chairman VGI Global Media Plc.
 2012 - Present Chairman of the Corporate Governance Committee BTS Group Holdings Plc.
 2010 - Present Executive Chairman¹ BTS Group Holdings Plc.
 2006 - Present Chairman BTS Group Holdings Plc.

Position in Other Company and/or Organisation

2010 - Present Chairman² Bangkok Mass Transit System Plc.
 2015 - Present Director BSS Holdings Co., Ltd.
 2010 - Present Director Carrot Rewards Co., Ltd.
 2010 - Present Director Kamkoong Property Co., Ltd.³
 2009 - Present Director Nuvo Line Agency Co., Ltd.
 2009 - Present Director BTS Land Co., Ltd.
 2009 - Present Director Bangkok Smartcard System Co., Ltd.
 1994 - Present Director Tanayong International Limited
 1993 - Present Director PrannaKiri Assets Co., Ltd.
 1992 - Present Director Tanayong Food and Beverage Co., Ltd.
 1991 - Present Director Thana City Golf & Sports Club Co., Ltd.
 1990 - Present Director Siam Paging and Communication Co., Ltd.
 1990 - Present Director Tanayong Property Management Co., Ltd.
 1988 - Present Director Muangthong Assets Co., Ltd.
 1996 - 2015 Chief Executive Officer Bangkok Mass Transit System Plc.
 2010 - 2012 Director Kampoo Property Co., Ltd.
 2009 - 2010 Director BTS Assets Co., Ltd.
 2007 - 2012 Director Kamala Beach Resort & Hotel Management Co., Ltd.

Remarks

¹ Since April 1, 2015, in BTS Group Holdings Plc., the title "Executive Chairman" has been changed to "Chairman of the Executive Committee".

² Since April 1, 2015, Mr. Keeree Kanjanapas has taken another position of Chairman of the Executive Committee in Bangkok Mass Transit System Plc.

³ On April 20, 2015, Mr. Keeree Kanjanapas resigned from the position of director of Kamkoong Property Co., Ltd.

Mr. Kavin Kanjanapas¹

age 40

Position

Director and Chairman of the Executive Committee (Authorized director to sign and bind the company)

Education

- Top Executive Program (CMA 16) Year 2013, Capital Market Academy
- Stonyhurst College, UK
- Director Accreditation Program (DAP) Year 2007, Thai Institute of Directors

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

Son of Mr. Keeree Kanjanapas

Date of Appointment as Director

May 28, 2003

Working experience for 5-years period

Position in Listed Company

2011 - Present Chairman of the Executive Committee VGI Global Media Plc.
 2003 - Present Director VGI Global Media Plc.
 2010 - Present Executive Director BTS Group Holdings Plc.²
 2006 - 2010 Managing Director BTS Group Holdings Plc.

Position in Other Company and/or Organisation

2015 - Present Director BSS Holdings Co., Ltd.
 2014 - Present Director Primary Kitchen Co., Ltd.
 2014 - Present Director Little Corner Co., Ltd.
 2014 - Present Director Mak8 Co., Ltd.
 2013 - Present Director Man Kitchen Co., Ltd.
 2010 - Present Director Tanayong Hong Kong Limited
 2010 - Present Director 999 Media Co., Ltd.
 2010 - Present Director 888 Media Co., Ltd.
 2010 - Present Director Carrot Rewards Co., Ltd.
 2010 - Present Director Absolute Hotel Services Hong Kong Limited
 2010 - Present Director BTS Land Co., Ltd.
 2010 - Present Director Kamkoong Property Co., Ltd.³
 2010 - Present Executive Chairman BTS Assets Co., Ltd.⁴
 2010 - Present Director VGI Advertising China Company Limited
 2009 - Present Director Bangkok Mass Transit System Plc.
 2009 - Present Director Point of View (POV) Media Group Co., Ltd.

2009 - Present	Director Nuvo Line Agency Co., Ltd.
2009 - Present	Director Bangkok Smartcard System Co., Ltd.
2009 - Present	Director VGI Advertising Media Co., Ltd.
2008 - Present	Director Thana City Golf & Sports Club Co., Ltd.
2008 - Present	Director Tanayong Property Management Co., Ltd.
2008 - Present	Director Muangthong Assets Co., Ltd.
2008 - Present	Director PrannaKiri Assets Co., Ltd.
2008 - Present	Director Siam Paging and Communication Co., Ltd.
2008 - Present	Director Tanayong Food and Beverage Co., Ltd.
2008 - Present	Director Absolute Hotel Services Co., Ltd.
2009 - 2014	Director Midas Global Media Co., Ltd.
2010 - 2012	Director Kampoo Property Co., Ltd.
2007 - 2012	Director Kamala Beach Resort & Hotel Management Co., Ltd.

Remarks

- ¹ Since April 1, 2015, in VGI Global Media Plc., the title "Chairman of the Executive Committee" has been changed, in which it is reflected only in Thai.
- ² Since April 1, 2015, Mr. Kavin Kanjanapas has taken another position of Chief Executive Officer in BTS Group Holdings Plc.
- ³ On April 20, 2015, Mr. Kavin Kanjanapas resigned from the position of director of Kamkoong Property Co., Ltd.
- ⁴ On April 20, 2015, Mr. Kavin Kanjanapas resigned from the position of Executive Chairman of BTS Assets Co., Ltd.

Mr. Surapong Laoha-Unya

age 53

Position

Director (Authorized director to sign and bind the company)

Education

- M.M.E. Civil Engineering, Chulalongkorn University
- Bachelor of Engineering (Civil Engineering), Kasetsart University
- Director Accreditation Program (DAP) Year 2010, Thai Institute of Directors
- The Senior Executive Bangkok Management Program Year 2013, Urban Green Development Institute

Shareholding in the Company (%)

336,440 (0.005%)

Family Relationship between Director and Executive

-

Date of Appointment as Director

November 10, 2006

Working experience for 5-years period

Position in Listed Company

2006 - Present	Director VGI Global Media Plc.
2010 - Present	Executive Director BTS Group Holdings Plc.

Position in Other Company and/or Organisation

2015 - Present	Director BSS Holdings Co., Ltd.
2014 - Present	Director Bangkok Payment Solutions Co., Ltd.
2013 - Present	Director Profession Standard and Professional Qualification for Rail System and High Speed Rail
2010 - Present	Director Carrot Rewards Co., Ltd.
2010 - Present	Director Kamkoong Property Co., Ltd. ¹

2010 - Present	Advisory to the Academic Subcommittee of Traffic and Transportation Engineering Program The Engineering Institute of Thailand Under the Royal Patronage of H.M. the King
2009 - Present	Director Nuvo Line Agency Co., Ltd.
2009 - Present	Director BTS Land Co., Ltd.
2009 - Present	Director / Member of the Executive Committee Bangkok Smartcard System Co., Ltd.
2006 - Present	Director / Chief Operating Officer Bangkok Mass Transit System Plc. ²
2010 - 2012	Director Kampoo Property Co., Ltd.
2009 - 2010	Director BTS Assets Co., Ltd.

Remarks

- ¹ On April 20, 2015, Mr. Surapong Laoha-Unya resigned from the position of director of Kamkoong Property Co., Ltd.
- ² Since April 1, 2015, Mr. Surapong Laoha-Unya has taken another position of Executive Director and Chief Executive Officer, as well as Acting for the Chief Operating Officer in Bangkok Mass Transit System Plc.

Mr. Kong Chi Keung

age 40

Position

Director (Authorized director to sign and bind the company)

Education

- MBA (Executive), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- BA (Honorary Degree), University of Greenwich, UK
- Director Accreditation Program (DAP) Year 2007, Thai Institute of Directors

Shareholding in the Company (%)

193,896 (0.003%)

Family Relationship between Director and Executive

-

Date of Appointment as Director

June 15, 2000

Working experience for 5-years period

Position in Listed Company

2000 - Present	Director VGI Global Media Plc.
2010 - Present	Executive Director/ Member of the Nomination and Remuneration Committee BTS Group Holdings Plc. ¹
2008 - 2010	Deputy Managing Director BTS Group Holdings Plc.
2007 - 2008	Director BTS Group Holdings Plc.

Position in Other Company and/or Organisation

2015 - Present	Director ATS Rabbit Special Purpose Vehicle Co., Ltd.
2014 - Present	Director Bangkok Payment Solutions Co., Ltd.
2012 - Present	Chief Financial Officer Bangkok Mass Transit System Plc. ²
2010 - Present	Director Tanayong Hong Kong Limited
2010 - Present	Director Tanayong Hong Kong Limited
2010 - Present	Director VGI Advertising China Company Limited

2010 - Present Director BTS Assets Co., Ltd.³
 2008 - Present Director Absolute Hotel Services Co., Ltd.
 2010 - 2013 Director Bangkok Mass Transit System Plc.

Remarks

¹ Since April 1, 2015, Mr. Kong Chi Keung has taken another position of Deputy Chief Executive Officer in BTS Group Holdings Plc.

² Since April 1, 2015, Mr. Kong Chi Keung has taken another position of the Member of Executive Committee in Bangkok Mass Transit System Plc.

³ On April 20, 2015, Mr. Kong Chi Keung resigned from the position of director of BTS Assets Co., Ltd.

Mr. Marut Arthakaivalvatee^{1,2}

age 59

Position

Director / Member of the Nomination and Remuneration Committee/
 Member of the Executive Committee/Chief Executive Officer
 (Authorized director to sign and bind the company)

Education

- Master Degree of Business Administration, Chulalongkorn University
- Bachelor Degree of Communication Arts, Chulalongkorn University
- Director Accreditation Program (DAP) Year 2009, Thai Institute of Directors
- Anti-Corruption for Executive Program (ACEP) Year 2014, Thai Institute of Directors
- Academy of Business Creativity (ABC 2), Year 2014, Sripatum University

Shareholding in the Company (%)

244,088 (0.004%)

Family Relationship between Director and Executive

-

Date of Appointment as Director

November 15, 2007

Working experience for 5-years period

Position in Listed Company

1999 - Present Director/ Member of the Nomination and Remuneration Committee/Member of the Executive Committee/Chief Executive Officer VGI Global Media Plc.

Position in Other Company and/or Organisation

2010 - Present Director 999 Media Co., Ltd.
 2010 - Present Director 888 Media Co., Ltd.
 2010 - Present Director VGI Advertising China Company Limited
 2009 - Present Director Point of View (POV) Media Group Co., Ltd.
 2007 - Present Director VGI Advertising Media Co., Ltd
 2007 - Present Director Midas Global Media Co., Ltd

Remarks

¹ Since April 1, 2015, in VGI Global Media Plc., the title "Chief Executive Officer" has been changed, in which it is reflected only in Thai.

² Since April 1, 2015, Mr. Marut Arthakaivalvatee has taken another position of the Member of the Corporate Governance Committee in VGI Global Media Plc.

Mr. Chan Kin Tak¹

age 49

Position

Director/Member of the Nomination and Remuneration Committee/
 Member of the Executive Committee/Chief Operating Officer
 (Authorized director to sign and bind the company)

Education

- St. Louis Old Boy College
- Director Accreditation Program (DAP) Year 2010, Thai Institute of Directors
- Director Certification Program (DCP) Year 2013, Thai Institute of Directors

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Date of Appointment as Director

November 15, 2007

Working experience for 5-years period

Position in Listed Company

2003 - Present Director/Member of the Nomination and Remuneration Committee/Member of the Executive Committee/Chief Operating Officer VGI Global Media Plc.

Position in Other Company and/or Organisation

2010 - Present Director 999 Media Co., Ltd.
 2010 - Present Director 888 Media Co., Ltd.
 2010 - Present Director VGI Advertising China Company Limited
 2009 - Present Director Point of View (POV) Media Group Co., Ltd.
 2007 - Present Director VGI Advertising Media Co., Ltd
 2007 - Present Director Midas Global Media., Ltd

Remark

¹ Since April 1, 2015, Mr. Chan Kin Tak has taken another position of the Member of the Corporate Governance Committee in VGI Global Media Plc.

Mrs. Jaruporn Viyanant^{1,2}

age 70

Position

Independent Director/Chairman of the Audit Committee/
 Chairman of the Nomination and Remuneration Committee

Education

- Master Degree of Financial Economics, Middle Tennessee State University, USA
- Bachelor Degree of Accounting, Thammasat University
- Top Executive Program (CMA 10) Year 2010, Capital Market Academy
- Advanced Certificate Course, King Prajadhipok's Institute
- Monitoring Fraud Risk Management (MFM) Year 2011, Thai Institute of Directors

- Monitoring the System of Internal Control and Risk Management (MIR) Year 2011, Thai Institute of Directors
- Monitoring the Internal Audit Function (MIA) Year 2010, Thai Institute of Directors
- Role of the Compensation Committee (RCC) Year 2010, Thai Institute of Directors
- Improving the Quality of Financial Reporting (QFR) Year 2010, Thai Institute of Directors
- Director Certification Program (DCP) Year 2009, Thai Institute of Directors
- Audit Committee Program (ACP) Year 2009, Thai Institute of Directors
- Advanced Audit Committee Program (AACP) Year 2014, Thai Institute of Directors

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Date of Appointment as Director

March 30, 2012

Working experience for 5-years period

Position in Listed Company³

2012 - Present Independent Director/Chairman of the Audit Committee/Chairman of the Nomination and Remuneration Committee
VGI Global Media Plc.

Position in Other Company and/or Organisation

2014 - Present Independent Director/Member of the Audit Committee Ocean Life Insurance Plc.
2014 - Present Advisor Electronic Government Agency (EGA)
2011 - Present Expert Director Federation of Thai Insurance
2011 - 2014 Financial Institution Policy Committee
Bank of Thailand
2011 - 2014 Director Electronic Government Agency (EGA)
2011 - 2012 Director Anti-Money Laundering Office (Resignation)
2009 -2011 Director The Stock Exchange of Thailand
1973 - 2009 Permanent Professional Thammasat University

Remarks

¹ Since April 1, 2015, Mrs. Jaruporn Viyanant has taken a position of member of the Nomination and Remuneration Committee, in VGI Global Media Plc., instead of the Chairman of the Nomination and Remuneration Committee.

² Since April 1, 2015, Mrs. Jaruporn Viyanant has taken another position of Chairman of the Corporate Governance Committee in VGI Global Media Plc.

³ On May 12, 2015, Mrs. Jaruporn Viyanant has been appointed as Independent Director, member of the Audit Committee and the Chairman of the Corporate Governance and Social Responsibilities Committee in Inoue Rubber (Thailand) Plc.

Mrs. Maneeporn Siriwatanawong ¹

age 66

Position

Independent Director/Member of the Audit Committee/Member of the Nomination and Remuneration Committee

Education

- Bachelor Degree of Accounting, Thammasat University
- Director Accreditation Program (DAP) Year 2012, Thai Institute of Directors

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Date of Appointment as Director

March 30, 2012

Working experience for 5-years period

Position in Listed Company

2012 - Present Independent Director/Member of the Audit Committee/Member of the Nomination and Remuneration Committee
VGI Global Media Plc.

Position in Other Company and/or Organisation

2010 - Present Advisor Singhapattana Chiang Mai Co., Ltd.
2010 - Present Advisor Chiang Mai Pattana Group Co., Ltd.
1979 - 2009 Head of Audit and Compliance Office
The Revenue Department
1973 - 1979 Auditor Bank of Ayudhya Plc.

Remark

¹ Since April 1, 2015, Mrs. Maneeporn Siriwatanawong has taken a position of the Chairman of the Nomination and Remuneration Committee, in VGI Global Media Plc., instead of member of the Nomination and Remuneration Committee.

Mr. Mana Jantanayingyong

age 55

Position

Independent Director/Member of the Audit Committee/Member of the Nomination and Remuneration Committee

Education

- Bachelor Degree of Marketing, The Institute of Technology and Vocational Education
- Director Accreditation Program (DAP) Year 2012, Thai Institute of Directors
- Anti-Corruption for Executive Program (ACEP) Year 2013, Thai Institute of Directors

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Date of Appointment as Director

March 30, 2012

Working experience for 5-years period**Position in Listed Company**

2012 - Present Independent Director/Member of the Audit Committee/Member of the Nomination and Remuneration Committee VGI Global Media Plc.

Position in Other Company and/or Organisation

2005 -2007 Chief Executive Officer Group M

Mrs. Oranuch Rujirawona

age 54

Position

Member of the Executive Committee and Chief Sales and Marketing Officer

Education

- Bachelor Degree of Business Administration, Bangkok University
- Academy of Business Creativity (ABC 1), Year 2013, Sripatum University

Shareholding in the Company (%)

2,000,000 (0.03%)

Family Relationship between Director and Executive

-

Working experience for 5-years period

1999 - Present Member of the Executive Committee/Chief Sales and Marketing Officer VGI Global Media Plc.

Mr. Chavin Kalayanamitr

age 52

Position

Member of the Executive Committee and Chief Technology Officer

Education

- Master Degree of Business Administration, University of Phoenix, USA
- Bachelor Degree of Engineering, California State Polytechnic University Pomona, USA
- Director Certification Program (DCP) Year 2011, Thai Institute of Directors

Shareholding in the Company (%)

657,776 (0.01%)

Family Relationship between Director and Executive

-

Working experience for 5-years period

2014 - Present Director Master Ad Plc.

2000 - Present Member of the Executive Committee/Chief Technology Officer VGI Global Media Plc.

Mrs. Suparanan Tanviruch

age 49

Position

Member of the Executive Committee and Chief Financial Officer

Education

- Master Degree of Accounting, Thammasat University
- Bachelor Degree of Accounting, Thammasat University
- TLCA Executive Development Program (EDP11) Year 2014, Thai Listed Companies Associate
- On educating of Academy of Business Creativity (ABC 3), Year 2015, Sripatum University

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Working experience for 5-years period

2008 - Present Member of the Executive Committee/Chief Financial Officer VGI Global Media Plc.

2000 - 2008 Chief Financial Officer ITV Plc.

1991 - 2000 AVP-Portfolio Management Shin Corporation Plc. (Intouch)

1987 - 1991 Budget Accounting Officer Siam Kraft Industry Co., Ltd. (Company in SCG Group)

Ms. Catharin Jirarudee

age 41

Position

Member of the Executive Committee/Chief Legal and Compliance Officer/Company Secretary

Education

- Bachelor Degree of Law, 2nd Class Honours, Chulalongkorn University
- Thai Barrister at Laws, Thai Bar Association
- Master of Laws with Merit (International Business Law), University of Manchester, UK
- Company Secretary Program
- Fundamental Practice for Corporate Secretary (FPCS 30) Year 2014, Thai Listed Companies Associate
- Finance for Non-Finance, PSR Management Training

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Working experience for 5-years period

2014 - Present Member of the Executive Committee/Chief Legal and Compliance Officer/Company Secretary VGI Global Media Plc.

2008 - 2013 Legal Advisor (Freelance)

2005 - 2008 Senior Associate White & Case (Thailand) Ltd.
 2004 - 2005 Legal Management Executive
 CPB Equity Ltd, Asset Management Company
 Of the Crown Property Bureau
 1998 - 2004 Associate Linklaters & Alliance (Thailand)

M.L. Kriengkrai Hastindra ¹

age 70

Position

Member of the Executive Committee/Deputy Chief Sales and Marketing Officer

Education

- Rajamangala University of Technology Krungthep

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Working experience for 5-years period

2007 - Present Member of the Executive Committee/Deputy Chief Sales and Marketing Officer
 VGI Global Media Plc.

Remarks

¹ On May 15, 2015, M.L. Kriengkrai Hastindra has been appointed as director in LED Advance Co., Ltd.

Ms. Daranee Phanklin

age 50

Position

Financial Controller

Education

- Master Degree of Business Administration, Dhurakij Pundit University
- Bachelor Degree of Accounting, Dhurakij Pundit University
- On educating of Director Certification Program (DCP) Year 2015, Thai Institute of Directors

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Working experience for 5-years period

2014 - Present Director Master Ad Plc.
 2008 - Present Financial Controller VGI Global Media Plc.
 2000 - 2008 Financial Manager VGI Global Media Plc.

Mrs. Pitchapaksorn Jit-Opas ¹

age 47

Position

Billing and Accounting Director

Education

- Master Degree of Accounting, Rammkhamhaeng University
- Bachelor Degree of Accounting, Rammkhamhaeng University

Shareholding in the Company (%)

-

Family Relationship between Director and Executive

-

Working experience for 5-years period

2014 - Present Financial and Accounting Director
 Midas Global Media Co., Ltd.
 2008 - Present Billing and Accounting Director
 VGI Global Media Plc.
 2000 - 2008 Accounting Manager VGI Global Media Plc.

Remarks

¹ On May 15, 2015, Mrs. Pitchapaksorn Jit-Opas has been appointed as director in LED Advance Co., Ltd.

5.7 Positions of the Directors and the Executives in the Company, Subsidiaries, Associates and Related Companies

Company	Directors and Executives															
	Mr. Keeree Kanjanapas	Mr. Kavin Kanjanapas	Mr. Surapong Laoha-Unya	Mr. Kong Chi Keung	Mr. Marut Athakaivalee	Mr. Chan Kin Tak	Mrs. Jaruporn Viyanant	Mrs. Maneeporn Sirwatanawong	Mr. Mana Jananayingyong	Mrs. Oranuch Rujirawona	Mr. Chavin Kalayanamitr	Mrs. Suparatan Tanviruch	Ms. Catharin Jirarudee	M.L. Kriengkrai Hasindra	Mrs. Pitchapaksorn Jit-Opas	Ms. Daranee Phanklin
VGI Global Media Plc.	A,F	B,E,F,J	F	F	C,E,F,J	E,F,J	G,I	H, I	H, I	E, J	E, J	E, J	E, J	E	J	J
Subsidiaries																
1. VGI Advertising Media Co., Ltd.		F			F	F										
2. 999 Media Co., Ltd.		F			F	F										
3. 888 Media Co., Ltd.		F			F	F										
4. Point of View (POV) Media Group Co., Ltd.		F			F	F										
5. VGI Advertising China Company Limited		F		F	F	F										
Associate Companies																
1. Midas Global Media Co., Ltd.					F	F										J
2. Master Ad Plc.											F					F
Related Company																
1. BTS Group Holdings Plc.	A,B,E,F	C,E,F	E,F	D,E,F												
2. Bangkok Mass Transit System Plc.	A,B,E,F	F	C,E,F	E,J												
3. Siam Paging and Communication Co., Ltd.	F	F														
4. PrannaKiri Assets Co., Ltd.	F	F														
5. BTS Land Co., Ltd.	F	F	F													
6. Muangthong Assets Co., Ltd.	F	F														
7. Tanayong Food and Beverage Co., Ltd.	F	F														
8. Tanayong Property Management Co., Ltd.	F	F														
9. Nuvo Line Agency Co., Ltd.	F	F	F													
10. Thana City Golf & Sports Club Co., Ltd.	F	F														
11. Tanayong International Limited	F															
12. Tanayong Hong Kong Limited		F		F												
13. Bangkok Smartcard System Co., Ltd.	F	E,F	E,F													
14. Carrot Rewards Co., Ltd.	F	F	F													
15. Absolute Hotel Services Co., Ltd.		F		F												
16. Absolute Hotel Services Hong Kong Limited		F														
17. Mak8 Co., Ltd.		F														
18. Man Kitchen Co., Ltd.		F														
19. Primary Kitchen Co., Ltd.		F														
20. Little Corner Co., Ltd.		F														
21. BSS Holdings Co., Ltd.	F	F	F													
22. Bangkok Payment Solution Co., Ltd.			F	F												
23. ATS Rabbit Special Purpose Vehicle Co., Ltd.				F												

A = Chairman
B = Chairman of the Executive Committee
C = Chief Executive Officer
D = Deputy Chief Executive Officer
E = Member of the Executive Committee
F = Director
G = Chairman of the Audit Committee
H = Audit Committee
I = Independent Director
J = Executive

Remark
On May 15, 2015, the Company subscribed for 15,000 newly issued ordinary shares of LED Advance Co., Ltd., or equivalent to 20 % of its registered capital. Consequently LED Advance Co., Ltd. became the Company's associate company. M.L. Kriengkrai Hasindra and Mrs. Pitchapaksorn Jit-Opas hold the position of director in this associate company.

6.0 Financial Report



LEVEL OF CUSTOMER SATISFACTION

June July August Sept

Conformity Nonconformity

Level of customer satisfaction

Quantity	Conformity	Nonconformity	%
502	94,90%		
453	93,40%		
40	91,80%		
55	88,47%		
63	86,30%		
76	81,40%		
80	80,75%		
83			
101			
102			
100			
172			

6.1 Director's Responsibility Report

The Board of Directors of VGI Global Media Public Company Limited is responsible for the financial statements of the Company and its subsidiaries provided in this Annual Report, which have been prepared in accordance with generally accepted accounting standards (GAAP) in Thailand under the Accounting Profession Act B.E. 2547, and the presented in compliance with stipulations under Notification of Department of Business Development dated 28 September 2011 by virtue of Accounting Act B.E. 2543. In this regard, the Board is aware of the accounting policies and believes that these are appropriate and have been consistently applied. The notes to the financial statements disclose details of useful and material financial information supported by reasonable and prudent judgments and estimations where necessary. The Company's external auditor has audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board of Directors further recognises the importance of presenting a comprehensive view of the Company's financial position and has reviewed and included in this annual report, the Management's discussion and analysis report on the Company's business performance for the benefit of shareholders and other stakeholders.

The Board is also responsible for overseeing that an effective system of corporate governance, including risk management, internal controls and compliance is put in place in order to have reasonable assurance that the financial records of the Company are accurate and complete. The Board evaluates the adequacy of the internal controls system on an annual basis.

The Board of Directors has also appointed the Audit Committee, entirely comprised of Independent Directors, to oversee the accuracy and adequacy of the financial reporting process as well as review the suitability and efficiency of the internal control and independence of the internal audit system. The opinion of the Audit Committee is shown in the Audit Committee Report contained in this Annual Report.

In the opinion of the Board, the audited financial statements and the notes to the financial statements show essential and accurately the financial status, performance and cash flow of the Company during the reporting period in accordance with GAAP, and that the management discussion and analysis offer a fair and relevant view of the business performance of the Company. Further, that the Company has established and maintains a system of corporate governance and internal controls that give reasonable assurance on the integrity of the financial reporting procedures.



Mr. Kavin Kanjanapas

Chairman of Executive Committee



Mr. Marut Arthakaivavatee

Member of Executive Committee
and Chief Executive Officer

6.2 Audit Committee Report

The Audit Committee

The Audit Committee of VGI Global Media PLC. (“the Company”) consists of 3 Independent Directors, namely Mrs. Jaruporn Viyanant as the Chairman of the Audit Committee, Mrs. Maneeporn Siriwatanawong and Mr. Mana Jantanayingyong as the Members of the Audit Committee and Mr. Pipop Intaratut as the Secretary to the Audit Committee.

Audit Committee's Duties and Responsibilities

The Audit Committee has the duties and core responsibilities as assigned by the Board of Directors in accordance with its Charter as follows:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, consider the adequacy of the budget and manpower and consider the independency of the internal audit unit including approve the appointment, transference or dismissal of the chief of the internal audit unit or any other unit in charge of the internal audit;
3. To ensure that the Company complies with the regulation of the Securities & Exchange commission, the Stock Exchange of Thailand as well as other applicable laws such as the Public Companies Act;
4. To consider, select nominate and dismissal an independent person to act as the Company's auditor, and to propose such person's remuneration to the Board of Directors, as well as to attend a meeting with the auditor without the attendance of any Company management at least once a year;
5. To consider the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the regulation of the Securities & Exchange commission, the Stock Exchange of Thailand as well as other applicable laws such as the Public Companies Act, and ensure that such transactions are reasonable and for the utmost benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, the Audit Committee Report which must be signed by the Chairman of the Audit Committee and contain the requisite information;
7. To perform any other act as assigned by the Board of Directors, with the prior consent of the Audit committee;
8. To consult with independent consultants as appropriate. Any associated consulting fees should be realized as company expenditure;
9. To review regulations and the preceding fiscal year's operational result at least once a year.

Audit Committee's Performance during the year

In 2014/2015, the Audit Committee has performed its duties as follows;

1. Reviewed the Company's financial reports, including quarterly and annual financial statements with regards to their accuracy and adequacy of disclosure. The Audit Committee has had meetings with the Company's auditor and found no reason to believe that such financial reports were not prepared in accordance with Generally Accepted Accounting Principles.
2. Reviewed and ensured the Company has an appropriate and efficient internal control and internal audit system, considered the adequacy of the budget, manpower and considered the independence of the internal audit department. Also the audit committee has monitored the approval, promotion, transfer, and layoff of chief of internal audit and any other functions which work under the internal audit department. The internal audit department is under the Audit Committee and is tasked with evaluating the appropriateness and effectiveness of the internal control system by considering business operation, prevention and control of loss, authority to make financial decisions ensuring the compliance with applicable laws, ensuring internal control system that the company has an appropriate and adequate internal control system in each of the Company's activities to achieve the purpose and goals of the Company and to manage the Company's business.

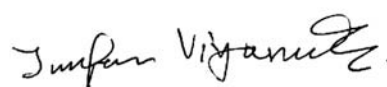


3. Reviewed the Company's operations to be in compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange and all applicable laws relating to the Company's business. Has conducted meetings with the management and head of related departments to ensure the Company had good and efficient operations and management processes in accordance with the principle of good corporate governance. In addition, the Audit Committee has reviewed the practices of Corporate Governance according to the principles of Corporate Governance of Thailand Listed Companies. The management always considers social and environmental responsibility, so that the Company can comply with the international principles
4. Considered, selected and nominated independent persons to act as the Company's auditor by proposing to the Board of Directors to appoint Mr. Narong Puntawong, Certified Public Accountant (Thailand) No.3315, and/or Mr. Supachai Phanyawattano, Certified Public Accountant (Thailand) No.3930, and/or Mrs. Chonlaros Suntiasvaraporn, Certified Public Accountant (Thailand) No.4523 from EY Office Company Limited to act as the auditor for the Company and its subsidiaries with the exception of VGI Advertising China Company Limited which is domiciled in China and has appointed Shanghai Shangshen Certified Public Accounts Co.,Ltd. as an auditor. Such appointment and fee for fiscal year 2014/2015 were approved by the Board of Directors and are to be proposed to the General Meeting of Shareholders of the Company.
5. Considered and reviewed the connected transactions or the transactions that may lead to conflicts of interest between the Company with related person or related companies and whether the transactions are appropriate and benefit the company and have been transacted on an arm's length basis.
6. Prepared this Audit Committee Report and disclosed the Report signed by the Chairman of the Audit Committee in the Annual Report 2014/2015.
7. Considered, reviewed and evaluated the Company's risk management process as well as gave advice, suggestion and supported the performance of the Board of Directors and executive management in relation to its risk management policy.
8. From 1 April 2014 to 31 March 2015, the Audit Committee conducted nine meetings by which each member has attended the meetings as follows

Names		Position	Times attended/ Total number of meetings
Assoc. Prof. Jaruporn Viyanant		Chairman of the Audit Committee	9/9
Mrs. Maneeporn	Siriwatanawong	Member of the Audit Committee	9/9
Mr. Mana	Jantanayingyong	Member of the Audit Committee	9/9

Overall Audit Committee's Opinions

In the fiscal year 2014/2015, the Audit Committee is of the opinion that it performs its duties under the Audit Committee Charter, which in turn follow the Stock Exchange of Thailand's regulations. In this regard with full cooperation and support of all parties, the Audit Committee has efficiently performed its functions within a responsible and satisfactory manner. The Audit Committee has reviewed the Company's financial reporting and found that it is accurate, adequate, and complied with the General Accepted Accounting Principles. The Internal Control and Internal Audit systems are suitable and efficient enough for achieving the Company's target, in line with the principles of good corporate governance and in compliance with the Public Companies Act, the Securities and Exchange Act, as well as all relevant laws and regulations that relate to the Company's operation. In addition, the Audit Committee has reviewed the practices of Corporate Governance according to the principles of Corporate Governance of Thailand Listed Companies. The management always gives due consideration to social and environmental responsibility, so that the Company can comply with the international principles.



Assoc. Prof. Jaruporn Viyanant
Chairman of the Audit Committee

6.3 Independent Auditor's Report

To the Shareholders of VGI Global Media Public Company Limited

I have audited the accompanying consolidated financial statements of VGI Global Media Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 March 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of VGI Global Media Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VGI Global Media Public Company Limited and its subsidiaries and of VGI Global Media Public Company Limited as at 31 March 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Supachai Phanyawattano
Certified Public Accountant (Thailand) No. 3930

EY Office Limited
Bangkok: 6 May 2015

6.4 Financial Statement

VGI Global Media Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	187,042,309	503,456,825	149,679,382	379,306,354
Current investments	8	306,568,636	505,806,554	306,568,636	505,806,554
Trade and other receivables	9	519,104,880	606,992,868	481,984,956	486,699,065
Short-term loans to a subsidiary	6	-	-	48,000,000	97,000,000
Current portion of long-term loan to a jointly controlled entity	6	3,925,000	-	3,925,000	-
Prepaid expenses		11,890,521	4,032,575	11,543,692	2,959,255
Other current assets		9,662,764	9,870,935	11,912,632	5,658,781
		1,038,194,110	1,630,159,757	1,013,614,298	1,477,430,009
Investment in a subsidiary awaiting sale	10	4,265,004	-	63,189,000	-
Total current assets		1,042,459,114	1,630,159,757	1,076,803,298	1,477,430,009
Non-current assets					
Long-term investment - deposit at a financial institution		40,000,000	-	40,000,000	-
Long-term loan to a jointly controlled entity - net of current portion	6	35,325,000	-	35,325,000	-
Investments in subsidiaries	10	-	-	31,013,587	139,202,587
Investment in a joint venture	11	64,289,228	44,517,103	78,750,000	45,000,000
Investment in an associate	12	630,582,639	-	626,732,964	-
Equipment	13	1,262,440,145	922,686,714	1,273,238,336	908,663,249
Goodwill		78,656,476	78,656,476	-	-
Intangible assets - computer software	14	23,305,985	23,895,587	22,967,609	23,492,613
Deferred tax assets	24	77,672,252	16,730,991	80,523,286	15,942,438
Other non-current assets		31,721,811	24,204,364	30,050,102	22,745,737
Total non-current assets		2,243,993,536	1,110,691,235	2,218,600,884	1,155,046,624
Total assets		3,286,452,650	2,740,850,992	3,295,404,182	2,632,476,633

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

VGI Global Media Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	15	530,000,000	-	530,000,000	-
Trade and other payables	16	150,520,676	150,758,972	202,325,154	126,754,065
Accrued expenses		317,703,922	363,417,604	312,125,041	332,458,241
Income tax payable		117,308,472	89,620,887	113,022,543	84,427,149
Unearned revenues		34,089,543	50,869,551	32,740,986	42,444,601
Deposits received from renting spaces		60,645,796	54,719,846	60,336,746	54,719,846
Provisions	17	166,729,251	-	166,729,251	-
Other current liabilities		56,310,202	52,327,081	47,379,445	40,492,197
Total current liabilities		1,433,307,862	761,713,941	1,464,659,166	681,296,099
Non-current liabilities					
Unearned revenues		6,912,252	-	6,912,252	-
Provision for long-term employee benefits	18	17,180,704	25,867,947	15,566,746	23,747,842
Total non-current liabilities		24,092,956	25,867,947	22,478,998	23,747,842
Total liabilities		1,457,400,818	787,581,888	1,487,138,164	705,043,941
Shareholders' equity					
Share capital	19				
Registered					
8,579,932,530 ordinary shares (2014: 3,431,988,799 ordinary shares) of Baht 0.1 each		857,993,253	343,198,880	857,993,253	343,198,880
Issued and fully paid-up					
6,863,978,450 ordinary shares (2014: 3,431,973,625 ordinary shares) of Baht 0.1 each	20, 28	686,397,845	343,197,363	686,397,845	343,197,363
Share premium	20	862,943,118	862,536,543	862,943,118	862,536,543
Share subscriptions received in advance	20	2,402,414	-	2,402,414	-
Retained earnings					
Appropriated - statutory reserve	21	85,038,967	40,000,000	85,038,967	40,000,000
Unappropriated		193,436,118	708,861,250	173,115,969	683,331,081
Differences on business combination under common control	10	(1,632,295)	(1,632,295)	(1,632,295)	(1,632,295)
Other component of shareholders' equity		465,665	306,243	-	-
Total shareholders' equity		1,829,051,832	1,953,269,104	1,808,266,018	1,927,432,692
Total liabilities and shareholders' equity		3,286,452,650	2,740,850,992	3,295,404,182	2,632,476,633

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



VGI Global Media Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 March 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit or loss:					
Revenues					
Service income	22	2,962,692,819	3,149,038,721	2,423,500,354	2,410,770,685
Dividend income	6, 10, 12	-	-	138,048,522	184,517,687
Gain on sales of warrants in an associate	12	53,421,685	-	52,689,913	-
Other income		47,228,644	46,601,111	41,322,981	44,421,373
Total revenues		3,063,343,148	3,195,639,832	2,655,561,770	2,639,709,745
Expenses					
Costs of services		1,324,554,648	1,341,934,057	961,102,853	855,379,866
Selling expenses		72,953,322	69,123,535	68,470,308	66,521,667
Administrative expenses		344,073,471	356,737,890	291,308,370	306,988,266
Impairment loss of assets	13, 17	102,361,222	-	127,361,222	-
Loss on provision for terminating the agreement	17	113,291,051	-	113,291,051	-
Loss on provision for revenues being lower than the minimum guaranteed amounts	17	53,438,200	-	53,438,200	-
Other expenses		2,133,796	7,733,101	(1,036,291)	47,061,728
Total expenses		2,012,805,710	1,775,528,583	1,613,935,713	1,275,951,527
Profit before share of profit (loss) from investments in a joint venture and an associate, finance cost and income tax expenses					
		1,050,537,438	1,420,111,249	1,041,626,057	1,363,758,218
Share of profit (loss) from investments in a joint venture and an associate		14,586,281	(812,297)	-	-
Profit before finance cost and income tax expenses		1,065,123,719	1,419,298,952	1,041,626,057	1,363,758,218
Finance cost		(9,850,434)	(676,066)	(11,005,364)	(690,118)
Profit before income tax expenses		1,055,273,285	1,418,622,886	1,030,620,693	1,363,068,100
Income tax expenses	24	(217,697,376)	(272,896,798)	(187,834,764)	(235,801,200)
Profit for the year		837,575,909	1,145,726,088	842,785,929	1,127,266,900
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		159,422	586,893	-	-
Other comprehensive income for the year		159,422	586,893	-	-
Total comprehensive income for the year		837,735,331	1,146,312,981	842,785,929	1,127,266,900
Earnings per share	25				
Basic earnings per share Profit attributable to equity holders of the Company		0.12	0.17	0.12	0.16

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

VGI Global Media Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 March 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	1,055,273,285	1,418,622,886	1,030,620,693	1,363,068,100
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	153,110,851	85,576,799	151,937,484	73,770,066
Amortisation	7,190,220	4,812,483	6,912,622	4,478,752
Allowance for doubtful accounts (reversal)	(2,779,250)	2,538,345	(1,114,088)	963,063
Gain on change in status of investment	-	(12,435)	-	(768,600)
Allowance for impairment of investment	-	-	-	45,354,118
Allowance for impairment loss of assets	102,361,222	-	127,361,222	-
Loss (gain) on sales / write-off of assets	4,835,249	3,912,287	(125,953)	(34,423)
Provision for terminating the agreement	113,291,051	-	113,291,051	-
Provision for revenues being lower than the minimum guaranteed amounts	53,438,200	-	53,438,200	-
Provision for long-term employee benefits	4,698,414	4,314,257	3,953,708	3,979,388
Dividend income	-	-	(138,048,522)	(184,517,687)
Gain on sales of warrants in an associate	(53,421,685)	-	(52,689,913)	-
Gain on sales of current investments	(44,129)	(188,870)	(44,129)	(188,870)
Unrealised gain on changes in value of current investments in trading securities	(2,984,797)	(1,679,003)	(2,984,797)	(1,679,003)
Share of (profit) loss from investments in a joint venture and an associate	(14,586,281)	812,297	-	-
Interest income	(21,533,483)	(29,095,614)	(24,332,074)	(30,088,307)
Interest expenses	7,196,822	-	8,402,292	94,318
Profit from operating activities before changes in operating assets and liabilities	1,406,045,689	1,489,613,432	1,276,577,796	1,274,430,915
Operating assets (increase) decrease				
Trade and other receivables	89,086,008	62,727,756	5,174,214	33,352,183
Other current assets	(41,233,325)	53,377,581	(48,390,287)	1,148,946
Other assets	(8,282,491)	(11,493,595)	(7,304,365)	(12,981,346)
Operating liabilities increase (decrease) Trade and other payables	(58,927,481)	(70,951,643)	(21,124,891)	(27,575,372)
Accrued expenses	(45,640,171)	67,410,366	(20,333,200)	81,764,797
Unearned revenues	(9,867,756)	3,440,289	(2,791,363)	7,429,010
Deposits received from renting spaces	5,925,950	7,619,846	5,616,900	7,619,846
Other current liabilities	3,976,033	(7,739,250)	6,887,246	(3,508,498)
Provision for long-term employee benefits	(13,385,657)	-	(12,134,804)	-
Cash flows from operating activities	1,327,696,799	1,594,004,782	1,182,177,246	1,361,680,481
Cash paid for interest expenses	(7,196,822)	-	(8,395,497)	(94,318)
Cash paid for corporate income tax	(250,951,053)	(301,953,077)	(223,820,218)	(255,665,440)
Net cash flows from operating activities	1,069,548,924	1,292,051,705	949,961,531	1,105,920,723

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

VGI Global Media Public Company Limited and its subsidiaries

Cash flow statement (continue)

For the year ended 31 March 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Purchase of current investments	(414,865,517)	(1,630,736,501)	(414,865,517)	(1,630,736,501)
Proceeds from sales of current investments	617,132,361	1,126,797,820	617,132,361	1,126,797,820
Increase in long-term investment - deposit at a financial institution	(40,000,000)	-	(40,000,000)	-
Decrease (increase) in short-term loans to subsidiaries	-	-	49,000,000	(11,000,000)
Increase in long-term loan to a jointly controlled entity	(39,250,000)	-	(39,250,000)	-
Cash paid for investment in a joint venture	(33,750,000)	(43,200,000)	(33,750,000)	(43,200,000)
Cash paid for investment in an associate	(696,535,015)	-	(703,256,267)	-
Cash received from share capital reduction of subsidiaries	-	-	45,000,000	-
Cash received from sales of warrants in an associate	129,213,216	-	129,213,216	-
Net cash received (paid) from changes in status of investments	(329,656)	(1,743,967)	-	4,968,600
Acquisition of equipment	(519,324,685)	(508,228,544)	(518,745,889)	(507,301,597)
Acquisition of intangible assets	(1,754,200)	(2,116,702)	(1,541,200)	(1,939,383)
Dividend income	18,725,000	-	138,048,522	184,517,687
Interest income	22,192,449	30,260,264	24,998,674	31,218,073
Proceeds from sales of equipment	4,521,874	161,139	380,200	120,000
Net cash flows used in investing activities	(954,024,173)	(1,028,806,491)	(747,635,900)	(846,555,301)
Cash flows from financing activities				
Increase in short-term loans from financial institutions	530,000,000	-	530,000,000	-
Proceeds from exercise of warrants	2,811,914	-	2,811,914	-
Dividend paid	(964,764,517)	(1,013,935,593)	(964,764,517)	(1,013,935,593)
Net cash flows used in financing activities	(431,952,603)	(1,013,935,593)	(431,952,603)	(1,013,935,593)
Increase in translation adjustments	13,336	331,109	-	-
Net decrease in cash and cash equivalents	(316,414,516)	(750,359,270)	(229,626,972)	(754,570,171)
Cash and cash equivalents at beginning of year	503,456,825	1,253,816,095	379,306,354	1,133,876,525
Cash and cash equivalents at end of year	187,042,309	503,456,825	149,679,382	379,306,354
	-	-	-	-
Supplemental disclosures of cash flow information				
Non-cash transactions				
Payable of acquisition of equipment - not yet paid	58,189,385	43,533,014	96,189,385	42,803,295
Transfer equipment to intangible assets	4,346,618	13,172,000	4,346,618	13,172,000

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

VGI Global Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 March 2015

(Unit: Baht)

	Consolidated financial statements								
	Issued and fully paid-up share capital	Share premium	Share subscriptions received in advance	Retained earnings		Differences on business combination under common control	Other component of shareholders' equity		Total shareholders' equity
				Appropriated	Unappropriated		Other comprehensive income	Exchange differences on translation of financial statements in foreign currency	
Balance as at 1 April 2013	300,000,000	862,536,543	-	40,000,000	583,126,251	35,509,572	(280,650)	(280,650)	1,820,891,716
Profit for the year	-	-	-	-	1,145,726,088	-	-	-	1,145,726,088
Other comprehensive income for the year	-	-	-	-	-	-	586,893	586,893	586,893
Total comprehensive income for the year	-	-	-	-	1,145,726,088	-	586,893	586,893	1,146,312,981
Stock dividend issued (Note 28)	43,197,363	-	-	-	(43,197,363)	-	-	-	-
Dividend paid (Note 28)	-	-	-	-	(1,013,935,593)	-	-	-	(1,013,935,593)
Transfer surplus on business combination under common control to retained earnings due to change in status of a subsidiary to a jointly controlled entity (Note 11)	-	-	-	-	37,141,867	(37,141,867)	-	-	-
Balance as at 31 March 2014	343,197,363	862,536,543	-	40,000,000	708,861,250	(1,632,295)	306,243	306,243	1,953,269,104
Balance as at 1 April 2014	343,197,363	862,536,543	-	40,000,000	708,861,250	(1,632,295)	306,243	306,243	1,953,269,104
Profit for the year	-	-	-	-	837,575,909	-	-	-	837,575,909
Other comprehensive income for the year	-	-	-	-	-	-	159,422	159,422	159,422
Total comprehensive income for the year	-	-	-	-	837,575,909	-	159,422	159,422	837,735,331
Exercised warrants (Note 20)	2,925	406,575	2,402,414	-	-	-	-	-	2,811,914
Stock dividend issued (Note 28)	343,197,557	-	-	-	(343,197,557)	-	-	-	-
Dividend paid (Note 28)	-	-	-	-	(964,764,517)	-	-	-	(964,764,517)
Retained earnings transferred to statutory reserve	-	-	-	45,038,967	(45,038,967)	-	-	-	-
Balance as at 31 March 2015	686,397,845	862,943,118	2,402,414	85,038,967	193,436,118	(1,632,295)	465,665	465,665	1,829,051,832

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



VGI Global Media Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 March 2015

(Unit: Baht)

	Separate financial statements						Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Share subscriptions received in advance	Retained earnings		Differences on business combination under common control	
				Appropriated	Unappropriated		
Balance as at 1 April 2013	300,000,000	862,536,543	-	40,000,000	613,197,137	35,509,572	1,851,243,252
Total comprehensive income for the year	-	-	-	-	1,127,266,900	-	1,127,266,900
Stock dividend issued (Note 28)	43,197,363	-	-	-	(43,197,363)	-	-
Dividend paid (Note 28)	-	-	-	-	(1,013,935,593)	-	(1,013,935,593)
Reverse surplus on business combination under common control due to change in status of a subsidiary to a jointly controlled entity (Note 11)	-	-	-	-	-	(37,141,867)	(37,141,867)
Balance as at 31 March 2014	343,197,363	862,536,543	-	40,000,000	683,331,081	(1,632,295)	1,927,432,692
Balance as at 1 April 2014	343,197,363	862,536,543	-	40,000,000	683,331,081	(1,632,295)	1,927,432,692
Total comprehensive income for the year	-	-	-	-	842,785,929	-	842,785,929
Exercised warrants (Note 20)	2,925	406,575	2,402,414	-	-	-	2,811,914
Stock dividend issued (Note 28)	343,197,557	-	-	-	(343,197,557)	-	-
Dividend paid (Note 28)	-	-	-	-	(964,764,517)	-	(964,764,517)
Retained earnings transferred to statutory reserve	-	-	-	45,038,967	(45,038,967)	-	-
Balance as at 31 March 2015	686,397,845	862,943,118	2,402,414	85,038,967	173,115,969	(1,632,295)	1,808,266,018

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



6.5 Notes to consolidated financial statements

VGI Global Media Public Company Limited and its subsidiaries

For the year ended 31 March 2015

1. General information

VGI Global Media Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Bangkok Mass Transit System Public Company Limited, which is incorporated in Thailand. The parent company of the Group is BTS Group Holdings Public Company Limited. The Company is principally engaged in the arrangement and provision of advertising services in BTS stations, inside BTS trains, on BTS train bodies, in department stores, and in office buildings, and the rental of retail space at BTS stations. The registered office of the Company is at 21, 9th Floor, TST Tower, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of VGI Global Media Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (Percent)	
			2015	2014
VGI Advertising Media Company Limited	The management and provision of advertising services in department stores	Thailand	100	100
999 Media Company Limited	The manufacture of radio media	Thailand	100	100
888 Media Company Limited	The management and provision of advertising services in department stores	Thailand	100	100
Point of View (POV) Media Group Company Limited	The management and provision of advertising services	Thailand	100	100
VGI Advertising China Company Limited	The management and provision of advertising services	The People's Republic of China	100	100

b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

d) The assets and liabilities in the financial statements of an overseas subsidiary are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statement of changes in shareholders’ equity.

e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.3 The separate financial statements, which present investments in subsidiaries, a joint venture and an associate under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards :

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

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

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.



b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. 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 accounting standards. The management of the Company and its subsidiaries believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

Accounting Standard:

TAS 19 (revised 2014) Employee Benefits

Financial Reporting Standards:

TFRS 10 Consolidated Financial Statements

TFRS 11 Joint Arrangements

TFRS 12 Disclosure of Interests in Other Entities

TFRS 13 Fair Value Measurement

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that these standards will not have any significant impact on the financial statements of the Company and its subsidiaries.

4. Significant accounting policies

4.1 Revenue recognition

Rendering of services

Service income consists of advertising income, income from renting of spaces on BTS stations and other service income. Service income is recognised when services have been rendered taking into account the stage of completion. Service rate charged is in accordance with service area, service rate charged per area and service period as stipulated in the contract.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Accounts receivable

Accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in a joint venture and an associate are accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries, a joint venture and an associate are accounted for in the separate financial statements using the cost method, less allowance for impairment of investments (if any).



The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association or yield rate of government bond adjusted by an appropriate risk factor, as the case may be. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company and its subsidiaries reclassify investment from one type to another, such investment will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investment and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.5 Equipment / Depreciation

Equipment is stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of equipment is calculated by reference to its costs on the straight-line basis over the following estimated useful lives:

Equipment	3-10 years
Fixtures and office equipment	3-5 years
Motor vehicles	5 years

Depreciation is included in profit or loss.

No depreciation is provided on assets under installation.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Intangible assets - computer software

Computer software is carried at cost less accumulated amortisation and allowance for impairment losses (if any). Computer software is amortised on a systematic basis over the economic useful life of 5 years and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

4.7 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.8 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Company and its subsidiaries.

4.9 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised 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 long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the assets.

Leases of office building space and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in profit or loss.

4.11 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment review in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

The defined benefits liability comprises the present value of the defined benefit obligation less unrecognised past service cost and unrecognised actuarial gains or losses.

4.13 Provisions

Provisions are recognised when the Company and its subsidiaries have 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.

4.14 Income tax

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

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided 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 Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that they are probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amounts of deferred tax assets to the extent that they are no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times 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 from these estimates. Significant judgments and estimates are as follows:

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.

Allowance for doubtful accounts

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

Impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their costs or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Equipment / Depreciation

In determining depreciation of equipment, the management is required to make estimates of the useful lives and residual values of the equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses when it is determined that its recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the asset subject to the review.

Goodwill and intangible assets

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

Deferred tax assets

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

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 rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2015	2014	2015	2014	
<u>Transactions with subsidiaries</u> (eliminated from the consolidated financial statements)					
Service income	-	-	31	42	Contract rate

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2015	2014	2015	2014	
Dividend income	-	-	119	185	<i>Announced rate</i>
Interest income	-	-	4	5	<i>Contract rate</i>
Other income	-	-	-	2	<i>Contract price</i>
Costs of services	-	-	81	100	<i>Contract rate</i>
Interest expenses	-	-	1	-	<i>Contract rate</i>
<u>Transactions with ultimate parent company</u>					
Investor relation expenses	4	4	4	4	<i>Contract rate</i>
Employee stock option expenses	-	1	-	1	<i>Contract rate</i>
<u>Transactions with parent company</u>					
Service income	14	15	14	15	<i>Contract rate</i>
Concession fees and costs of services	135	111	135	111	<i>Contract rate</i>
<u>Transactions with a jointly controlled entity</u>					
Interest income	1	-	1	-	<i>Contract rate</i>
Costs of services	(1)	-	(1)	-	<i>Contract rate</i>
<u>Transaction with an associate</u>					
Dividend income	-	-	19	-	<i>Announced rate</i>
<u>Transactions with related companies</u>					
Service income	37	28	37	28	<i>Contract rate</i>
Costs of services	5	-	5	-	<i>Contract rate</i>
Rental and service expenses	22	22	19	19	<i>Contract rate</i>

As at 31 March 2015 and 2014, the balances of the accounts between the Company, its subsidiaries and those related companies were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Trade and other receivables - related parties (Note 9)</u>				
Ultimate parent company	3	-	3	-
Parent company	1,498	2,508	1,498	2,508
Subsidiaries	-	-	1,179	4,895
Related companies (related by common shareholders and directors)	6,172	5,064	6,157	5,024
Total trade and other receivables - related parties	7,673	7,572	8,837	12,427
<u>Short-term loans to a subsidiary</u>				
Subsidiary	-	-	48,000	97,000
<u>Prepaid expenses - a related party</u>				
Parent company	11,987	-	11,987	-
<u>Long-term loan to a jointly controlled entity</u>				
Jointly controlled entity	39,250	-	39,250	-
<u>Deposits - related parties</u>				
Parent company	537	519	537	519
Related company (related by common shareholders and directors)	4,295	4,896	3,507	4,140
Total deposits - related parties	4,832	5,415	4,044	4,659

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade and other payables - related parties (Note 16)				
Parent company	33,407	35,699	33,407	35,699
Subsidiaries	-	-	58,701	18,566
Jointly controlled entity	459	-	459	-
Related companies (related by common shareholders and/or directors)	8,848	934	8,688	874
Total trade and other payables - related parties	42,714	36,633	101,255	55,139
Unearned revenues - a related party				
Parent company	7,563	-	7,563	-
Deposits received from renting spaces - a related party				
Related company (related by common shareholders and directors)	2,323	-	2,323	-

Short-term loans to related parties

As at 31 March 2015 and 2014, the balances of short-term loans between the Company and those related companies and the movements were as follows:

(Unit: Thousand Baht)

Short-term loans to related parties	Consolidated financial statements			
	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
<u>Jointly controlled entity</u>				
Midas Global Media Company Limited	-	33,000	(33,000)	-

(Unit: Thousand Baht)

Short-term loans to related parties	Separate financial statements			
	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
<u>Subsidiaries</u>				
VGI Advertising Media Company Limited ¹⁾	97,000	80,000	(129,000)	48,000
999 Media Company Limited	-	5,200	(5,200)	-
<u>Jointly controlled entity</u>				
Midas Global Media Company Limited	-	33,000	(33,000)	-
Total	97,000	118,200	(167,200)	48,000

1) Clean loans, carrying interest at a rate of 3.45 percent per annum and due at call

Long-term loan to a jointly controlled entity

As at 31 March 2015 and 2014, the balances of long-term loan between the Company and this jointly controlled entity and the movements were as follows:

(Unit: Thousand Baht)

Long-term loan to a jointly controlled entity	Consolidated / Separate financial statements			
	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
Midas Global Media Company Limited ²⁾	-	55,900	(16,650)	39,250

2) The loan carries interest at a rate as stipulated in the agreement, is payable from December 2015 by reference to the amounts and payment terms as stipulated in the agreement, and is secured by assets and transfers of rights as stipulated in the agreement.

Short-term loans from subsidiaries

As at 31 March 2015 and 2014, the balance of short-term loans between the Company and those subsidiaries and the movements were as follows:

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
<u>Short-term loans to related parties</u>				
888 Media Company Limited	-	18,000	(18,000)	-
Point of View (POV) Media Group Company Limited	-	45,000	(45,000)	-
Total	-	63,000	(63,000)	-

Directors and management's benefits

During the years ended 31 March 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as detailed below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	56	73	56	73
Post-employment benefits	3	3	3	3
Total	59	76	59	76

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash	-	1	-	-
Current and saving deposits	187,023	497,288	149,660	379,287
Fixed deposits with maturity date due not more than 3 months	19	19	19	19
Certificates of deposit	-	6,149	-	-
Total	187,042	503,457	149,679	379,306

As at 31 March 2015, bank deposits in saving accounts and fixed deposits carried interests at the rate ranging from 0.1 to 2.0 percent per annum (2014: between 0.37 and 3.25 percent per annum).

8. Current investments

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2015	2014
Fixed deposits with maturity date due more than 3 months	30,000	280,000
Investments in trading securities		
Government and state-owned enterprise bonds	75,191	92,950
Private sector debt securities	201,378	132,806
Unit trust in fixed income open-ended fund	-	51
Total	306,569	505,807

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	7,538	5,401	8,506	9,959
Past due				
Up to 3 months	135	2,171	135	2,171
Total trade receivables - related parties	7,673	7,572	8,641	12,130
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	470,328	502,498	438,748	398,558
Past due				
Up to 3 months	26,124	78,063	20,641	60,048
3 - 6 months	3,284	6,183	3,260	4,287
6 - 12 months	131	2,181	73	1,248
Over 12 months	9,630	10,502	9,473	9,502
Total	509,497	599,427	472,195	473,643
Less: Allowance for doubtful debts	(9,654)	(12,433)	(9,496)	(10,610)
Net	499,843	586,994	462,699	463,033
Cheques awaiting for deposit	8,914	9,157	7,785	8,150
Total trade receivables - unrelated parties - net	508,757	596,151	470,484	471,183
Total trade receivables - net	516,430	603,723	479,125	483,313
<u>Other receivables</u>				
Other receivables	342	278	331	189
Interest receivable from financial institutions	2,333	2,992	2,333	2,900
Interest receivable - related parties	-	-	196	297
Total other receivables	2,675	3,270	2,860	3,386
Total trade and other receivables - net	519,105	606,993	481,985	486,699



10. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net		Dividend received during the year	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
VGI Advertising Media Co., Ltd.	10,000	10,000	10,000	10,000	-	-	10,000	10,000	66,999	111,798
Midas Global Media Co., Ltd. (Formerly known as VGI Multi-Tech International Co., Ltd.)	-	-	-	-	-	-	-	-	-	2,700
999 Media Co., Ltd.	7,500	7,500	3,000	3,000	-	-	3,000	3,000	49,125	14,700
888 Media Co., Ltd.	5,000	20,000	5,000	20,000	-	-	5,000	20,000	3,200	2,800
Point of View (POV) Media Group Co., Ltd.	10,000	40,000	60,000	90,000	(45,354)	(45,354)	14,646	44,646	-	52,520
VGI Advertising China Co., Ltd.	63,189	63,189	63,189	63,189	-	-	63,189	63,189	-	-
Total			141,189	186,189	(45,354)	(45,354)	95,835	140,835	119,324	184,518
Differences on business combination under common control							(1,632)	(1,632)		
							94,203	139,203		
Investment in a subsidiary awaiting sale							(63,189)	-		
Investments in subsidiaries							31,014	139,203		

Midas Global Media Company Limited (Formerly known as VGI Multi-Tech International Company Limited)

On 20 February 2014, the status of Midas Global Media Company Limited changed from a subsidiary to a jointly controlled entity as mentioned in Note 11 to the consolidated financial statements.

888 Media Company Limited

On 19 December 2014, the Extraordinary General Meeting of the subsidiary's shareholders No. 1/2014 passed a resolution to decrease its share capital from Baht 20 million (2 million ordinary shares with a par value of Baht 10 each) to Baht 5 million (0.5 million ordinary shares with a par value of Baht 10 each). The subsidiary registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 29 January 2015.

In addition, the Company already received the subsidiary's share capital reduction of Baht 15 million.

Point of View (POV) Media Group Company Limited

On 22 January 2015, the Extraordinary General Meeting of the subsidiary's shareholders No. 1/2015 passed a resolution to decrease its share capital from Baht 40 million (3,898,000 ordinary shares and 102,000 preference shares with a par value of Baht 10 each) to Baht 10 million (1 million ordinary shares with a par value of Baht 10 each). The subsidiary registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 5 March 2015. In addition, the Company already received the subsidiary's share capital reduction of Baht 30 million.

VGI Advertising China Company Limited

On 2 March 2015, the Company entered into a share sale and purchase agreement with an unrelated party to sell its investment in VGI Advertising China Company Limited at a price of USD 2 million. The Company is to receive payment and transfer the shares to the buyer within 31 August 2015. Therefore, as at 31 March 2015, the Company reclassified the investment in VGI Advertising China Company Limited in the separate financial statements and the assets and liabilities of VGI Advertising China Company Limited in the consolidated financial statements as investment in a subsidiary awaiting sale.

11. Investment in a joint venture

11.1 Details of investment in a joint venture

Investment in a joint venture represents investment in an entity which is jointly controlled by the Company and another company. Details of this investment are as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Nature of business	Consolidated financial statements			
		Cost		Carrying amounts based on equity method	
		2015	2014	2015	2014
Midas Global Media Company Limited (Formerly known as VGI Multi-Tech International Company Limited)	The provision of services, rental and management of advertising media space, including electronic and new technology media	79,079	45,329	64,289	44,517

(Unit: Thousand Baht)

Jointly controlled entity	Nature of business	Separate financial statements			
		Cost		Carrying amounts based on cost method	
		2015	2014	2015	2014
Midas Global Media Company Limited (Formerly known as VGI Multi-Tech International Company Limited)	The provision of services, rental and management of advertising media space, including electronic and new technology media	78,750	45,000	78,750	45,000

The Company's interest in the jointly controlled entity is 30%.

On 27 January 2014, the Company's Board of Directors meeting No. 1/2014 passed a resolution to invest in a joint venture with another local company, and on 5 February 2014, the Company entered into the shareholder agreement with the other company.

As stipulated in the shareholder agreement, on 20 February 2014, the Company sold 70% of the share capital of Midas Global Media Company Limited ("Midas") held by the Company to the other company at a price of Baht 11.83 per share. As a result, the shareholding of the Company remained at 30%. However, since the agreement stipulates that the Company and the other company jointly control Midas, the Company changed the status of Midas from a subsidiary to a jointly controlled entity and reclassified its investment in the jointly controlled entity from investment in a subsidiary, for which consolidated financial statements were prepared, to investment in a joint venture, which has been accounted for in the consolidated financial statements using the equity method since 20 February 2014, the date since which the entity has been jointly controlled by the Company and the other company.

Subsequently, on 24 February 2014, the Company and the other company increased Midas' share capital from Baht 6 million (600,000 ordinary shares with a par value of Baht 10 each) to Baht 150 million (15 million ordinary shares with a par value of Baht 10 each) in proportion to their interests of 30% and 70%, respectively, buying the shares at a price of Baht 10 per share, as stipulated in the shareholder agreement. Midas registered the increase in its share capital with the Ministry of Commerce on the same date.

In addition, on 4 April 2014, Midas registered a change of its name from VGI Multi-Tech International Company Limited to Midas Global Media Company Limited.

In the separate financial statements, the Company recorded the initial value of the investment in a joint venture, which is accounted for using the cost method, at the book value of the investment at the date when the control in the subsidiary ceased, while in the consolidated financial statements the Company recorded the initial value of the investment in a joint venture at fair value at the date when the control in the subsidiary ceased. Moreover, because of the change in status of a subsidiary to a jointly controlled entity mentioned above, the Company reversed the surplus on business combination under common control, amounting to Baht 37 million, in the separate financial statements and transferred the surplus on business combination under common control of Baht 37 million in the consolidated financial statements to retained earnings.

Subsequently, on 22 October 2014, the Extraordinary General Meeting of Midas' shareholders No. 3/2014 approved an increase in Midas' registered capital from Baht 150 million (15 million ordinary shares of Baht 10 each) to Baht 207 million (20.7 million ordinary shares of Baht 10 each), through the issuance of 5.7 million additional ordinary shares with a par value of Baht 10 each, to the existing shareholders of Midas, at a price of Baht 10 per share. Midas issued the new ordinary shares and registered the increase of its capital with the Ministry of Commerce on 4 November 2014.

In addition, on 3 March 2015, the Extraordinary General Meeting of Midas' shareholders No. 1/2015 approved an increase in Midas' registered capital from Baht 207 million (20.7 million ordinary shares of Baht 10 each) to Baht 262.5 million (26.25 million ordinary shares of Baht 10 each), through the issuance of 5.55 million additional ordinary shares with a par value of Baht 10 each, to the existing shareholders of Midas, at a price of Baht 10 per share. Midas issued the new ordinary shares and registered the increase of its capital with the Ministry of Commerce on 20 March 2015.

On 30 March 2015, the Extraordinary General Meeting of Midas' shareholders No. 2/2015 approved an increase in Midas' registered capital from Baht 262.5 million (26.25 million ordinary shares of Baht 10 each) to Baht 350 million (35 million ordinary shares of Baht 10 each), through the issuance of 8.75 million additional ordinary shares with a par value of Baht 10 each, to the existing shareholders of Midas, at a price of Baht 10 per share which is currently in the process.

11.2 Share of loss and dividend received

During the years, the Company recognised its share of loss from investment in the joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

	Share of loss from investment in a joint venture during the year	
	2015	2014
Jointly controlled entity		
Midas Global Media Co., Ltd. (Formerly known as VGI Multi-Tech International Co., Ltd.)	(13,978)	(812)

The Company did not have any dividend received from Midas in the separate financial statements during the year.

11.3 Summarised financial information of a jointly controlled entity

The Company's proportionate shares of the assets, liabilities, revenues and expenses of Midas, according to the proportion under the joint venture agreement, are as follows:

(Unit: Thousand Baht)

	As at 31 December	
	2015	2014
Current assets	12,570	15,679
Non-current assets	65,948	28,878
	78,518	44,557
Current liabilities	3,635	44
Non-current liabilities	10,598	-
	14,233	44
Net assets	64,285	44,513

(Unit: Thousand Baht)

	For the year ended 31 March 2015	For the period as from 20 February 2014 to 31 March 2014
Service income	1,181	-
Other income	276	1
Cost of services	(11,831)	(543)
Administrative expenses	(3,440)	(302)
Loss before finance cost and income tax	(13,814)	(844)
Finance cost	(164)	-
Loss before income tax	(13,978)	(844)
Income tax	-	32
Loss for the year / period	(13,978)	(812)

12. Investment in an associate

12.1 Details of the associate

(Unit: Thousand Baht)

Company's name	Consolidated financial statements					
	Shareholding percentage (%)		Cost		Carrying amounts based on equity method	
	2015	2014	2015	2014	2015	2014
Master Ad Public Company Limited	24.96	-	620,744	-	630,583	-

(Unit: Thousand Baht)

Company's name	Separate financial statements					
	Shareholding percentage (%)		Cost		Carrying amounts based on equity method	
	2015	2014	2015	2014	2015	2014
Master Ad Public Company Limited	24.96	-	626,733	-	626,733	-

On 12 May 2014, the Company invested in 73.5 million ordinary shares of Master Ad Public Company Limited (“MACO”), at a price of Baht 9 per share, or for a total of Baht 661.5 million, through the big lot board in the Stock Exchange of Thailand, in accordance with a resolution passed by the Company’s Board of Directors meeting No. 3/2014 on 9 May 2014. As a result, the Company held 24.43 percent of all issued shares of MACO, and classifies this investment as investment in an associate.



Management believed that the assets and liabilities of the associate as at 30 June 2014 and at the share acquisition dates were not significantly different. Details of the fair and book values of identifiable assets and liabilities of the associate as at 30 June 2014 were as follows.

(Unit: Thousand Baht)

	Fair value	Book value
Assets		
Cash and cash equivalents	191,744	191,744
Short-term investments	188,738	188,738
Trade and other receivables	197,095	197,095
Inventories	6,695	6,695
Other current assets	8,882	8,882
Investments in a joint venture and associates	27,457	27,457
Restricted deposits at financial institutions	6,452	6,452
Investment property	64,920	35,317
Buildings and equipment	123,882	123,882
Goodwill	-	13,998
Intangible assets	332,864	301
Deferred tax assets	3,306	3,306
Prepaid rent for billboard space	13,297	13,297
Other non-current assets	48,200	48,200
Total assets	1,213,532	865,364
Liabilities		
Bank overdrafts and short-term loans from financial institutions	35,000	35,000
Trade and other payables	98,447	98,447
Income tax payable	10,345	10,345
Undue output VAT	10,599	10,599
Other current liabilities	2,701	2,701
Provision for long-term employee benefits	13,320	13,320
Deferred tax liabilities	72,433	-
Other non-current liabilities	2,853	2,853
Total liabilities	245,698	173,265
Net asset value	967,834	692,099
Net assets attributable to the Company's investment	236,442	
Excess of investment cost over net asset value	425,058	
Cost of investment in the associate (consolidated financial statements)	661,500	

In addition, in June 2014, the Company gradually invested in a further 1.4 million ordinary shares of MACO, at prices of approximately Baht 14 per share, or for a total of Baht 19.65 million. As a result, the shareholding of the Company increased from 24.43% to 24.89% of all issued shares of MACO.

The Company incurred expenses relating to the investments in MACO totaling approximately Baht 7 million.

Subsequently, on 26 September 2014, the Extraordinary General Meeting of MACO's shareholders No. 1/2014 passed the following significant resolutions.

- a) Change number and par value of the ordinary shares, whereby the number of the ordinary shares increased by 2,708,072,550 ordinary shares, from 300,896,950 ordinary shares to 3,008,969,500 ordinary shares, and the par value of the ordinary shares reduced from Baht 1 each to Baht 0.1 each. MACO registered the changes in number and par value of its ordinary shares with the Ministry of Commerce on 29 September 2014.
- b) Issue up to 752,242,375 warrants to purchase newly issued ordinary shares of MACO (MACO-W1), to be allocated to the existing shareholders of the associate on a pro rata basis to their respective shareholding (rights offering), at no cost. The allocation ratio is 1 warrant to 4 existing ordinary shares. The term of the warrants is to be 3 years from the issuance date and the warrant holders are entitled to exercise the warrants for the first time on the last business day of the first quarter after 2 years from the issuance date. The exercise ratio is 1 warrant per an ordinary share and the exercise price is Baht 2 per share.

MACO issued and allocated 187,250,000 warrants to the Company on 3 November 2014.

On 19 November 2014, the Company sold 187,250,000 warrants to purchase the newly issued ordinary shares of MACO to unrelated parties through the Stock Exchange of Thailand, at a price of approximately Baht 0.6828 per warrant, or for a total of approximately Baht 128 million. The Company recognised an allocation of costs of the warrants from the cost of investments in the associate, with reference to the fair values of the warrants and the ordinary shares of MACO, and recorded a gain on the sale of the warrants, presenting it as a separate item in the statement of comprehensive income.

Furthermore, during the current year, the Company gradually purchased warrants to purchase the newly issued ordinary shares of MACO through the Stock Exchange of Thailand, in accordance with a resolution passed by the Company's Board of Directors meeting No. 9/2014 on 28 November 2014. As a result, as at 31 March 2015, the Company held 28,351,500 warrants to purchase the newly issued ordinary shares of MACO, acquired at prices of approximately Baht 0.4 per share, or for a total of Baht 11 million. The Company classifies its investment in these warrants as investment in an associate.

In March 2015, the Company invested in a further 1,967,400 ordinary shares of MACO, at prices of Baht 1.38 per share, or for a total of Baht 2.7 million, in the Stock Exchange of Thailand. As a result, the shareholding of the Company increased from 24.89% to 24.96% of all issued shares of MACO.

MACO is a public company incorporated and domiciled in Thailand and is principally engaged in advertising, leasing of property and the purchase/sale of electronic billboards.

12.2 Share of profit and dividend received

During the years, the Company recognised its share of profit from investment in the associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in an associate during the year		Dividend received during the year	
	2015	2014	2015	2014
MACO	28,564	-	18,725	-

In addition, on 22 April 2015, the Annual General Meeting of MACO's shareholders passed a resolution to pay to the shareholders a cash dividend for 2014 of Baht 0.014 per share, or a total of Baht 42 million. The dividend will be paid on 15 May 2015 and the Company will receive a dividend of Baht 11 million from MACO on that date.

12.3 Fair value investments in a listed associate

As at 31 March 2015, the fair value of the investments in MACO, which is listed on the Stock Exchange of Thailand, amounted to approximately Baht 910 million.

12.4 Summarised financial information of an associate

Financial information of MACO is summarised below.

(Unit: Million Baht)

	2015	2014
Paid-up capital as at 31 March	301	301
Total assets as at 31 March	890	886
Total liabilities as at 31 March	174	133
Total revenues for the year ended 31 March	657	761
Profit for the year ended 31 March	133	183

13. Equipment

(Unit: Thousand Baht)

	Consolidated financial statements				
	Equipment	Fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:					
1 April 2013	734,518	83,207	1,805	278,333	1,097,863
Additions	58,360	6,224	-	487,178	551,762
Disposals / write-off	(24,300)	(5,469)	-	(1,466)	(31,235)
Transfer in (transfer out)	228,244	10,873	-	(239,117)	-
Transfer out to intangible assets (Note 14)	-	-	-	(13,172)	(13,172)
Change in status of investment	(138)	-	-	-	(138)
Translation adjustment	-	165	189	-	354
31 March 2014	996,684	95,000	1,994	511,756	1,605,434
Additions	5,495	5,191	-	572,655	583,341
Disposals / write-off	(94,097)	(646)	-	-	(94,743)
Transfer in (transfer out)	850,168	15,678	-	(875,171)	(9,325)
Transfer out to intangible assets (Note 14)	-	-	-	(4,347)	(4,347)
Translation adjustment	-	9	10	-	19
Investment in a subsidiary awaiting sale	-	(1,752)	(2,004)	-	(3,756)
31 March 2015	1,758,250	113,480	-	204,893	2,076,623
Accumulated depreciation:					
1 April 2013	558,200	65,884	334	-	624,418
Depreciation for the year	75,561	9,705	311	-	85,577
Depreciation on disposals / write-off	(21,433)	(5,775)	-	-	(27,208)
Transfer in (transfer out)	(685)	685	-	-	-
Change in status of investment	(138)	-	-	-	(138)

(Unit: Thousand Baht)

	Consolidated financial statements				
	Equipment	Fixtures and office equipment	Motor vehicles	Assets under installation	Total
Translation adjustment	-	7	91	-	98
31 March 2014	611,505	70,506	736	-	682,747
Depreciation for the year	142,442	10,299	370	-	153,111
Depreciation on disposals / write-off	(84,144)	(379)	-	-	(84,523)
Translation adjustment	-	(131)	4	-	(127)
Investment in a subsidiary awaiting sale	-	(1,226)	(1,110)	-	(2,336)
31 March 2015	669,803	79,069	-	-	748,872
Allowance for impairment loss:					
1 April 2013	-	-	-	-	-
31 March 2014	-	-	-	-	-
Increase during the year	65,311	-	-	-	65,311
31 March 2015	65,311	-	-	-	65,311
Net book value:					
31 March 2014	385,179	24,494	1,258	511,756	922,687
31 March 2015	1,023,136	34,411	-	204,893	1,262,440
Depreciation for the year					
2014 (Baht 76 million included in costs of services, and the balance in administrative expenses)					85,577
2015 (Baht 142 million included in costs of services, and the balance in administrative expenses)					153,111

(Unit: Thousand Baht)

	Separate financial statements				
	Equipment	Fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:					
1 April 2013	384,345	73,173	-	270,469	727,987
Additions	57,204	6,281	-	486,620	550,105
Disposals / write-off	(3,432)	(499)	-	-	(3,931)
Transfer in (transfer out)	231,250	7,344	-	(238,594)	-
Transfer out to intangible assets (Note 14)	-	-	-	(13,172)	(13,172)
31 March 2014	669,367	86,299	-	505,323	1,260,989
Additions	43,834	4,679	-	572,249	620,762
Disposals	-	(646)	-	-	(646)
Transfer in (transfer out)	849,466	15,491	-	(874,282)	(9,325)
Transfer out to intangible assets (Note 14)	-	-	-	(4,347)	(4,347)
31 March 2015	1,562,667	105,823	-	198,943	1,867,433
Accumulated depreciation:					
1 April 2013	225,686	56,715	-	-	282,401
Depreciation for the year	65,337	8,433	-	-	73,770
Depreciation on disposals / write-off	(3,346)	(499)	-	-	(3,845)
31 March 2014	287,677	64,649	-	-	352,326
Depreciation for the year	142,755	9,182	-	-	151,937

(Unit: Thousand Baht)

	Separate financial statements				
	Equipment	Fixtures and office equipment	Motor vehicles	Assets under installation	Total
Depreciation on disposals	-	(379)	-	-	(379)
31 March 2015	430,432	73,452	-	-	503,884
Allowance for impairment loss:					
1 April 2013	-	-	-	-	-
31 March 2014	-	-	-	-	-
Increase during the year	90,311	-	-	-	90,311
31 March 2015	90,311	-	-	-	90,311
Net book value:					
31 March 2014	381,690	21,650	-	505,323	908,663
31 March 2015	1,041,924	32,371	-	198,943	1,273,238
Depreciation for the year					
2014 (Baht 65 million included in costs of services, and the balance in administrative expenses)					73,770
2015 (Baht 142 million included in costs of services, and the balance in administrative expenses)					151,937

As at 31 March 2015, certain items of equipment had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 503 million (2014: Baht 415 million) (The Company only: Baht 217 million (2014: Baht 198 million)).

During the current year, the Company recognised allowances of Baht 65 million in the consolidated financial statements and Baht 90 million in the separate financial statements for impairment loss on equipment in relation to the termination of the agreement, as described in Note 17 to the consolidated financial statements.

14. Intangible assets - computer software

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost:				
Balance at beginning of year	47,764	32,231	45,940	30,493
Acquisitions	2,253	2,452	2,041	2,275
Write-off	-	(83)	-	-
Transfer in from equipment (Note 13)	4,347	13,172	4,347	13,172
Change in status of investment	-	(8)	-	-
Balance at end of year	54,364	47,764	52,328	45,940
Accumulated amortisation:				
Balance at beginning of year	23,868	19,100	22,447	17,969
Amortisation for the year	7,190	4,812	6,913	4,478
Amortisation on write-off	-	(36)	-	-
Change in status of investment	-	(8)	-	-
Balance at end of year	31,058	23,868	29,360	22,447
Net book value	23,306	23,896	22,968	23,493

15. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated / Separate financial statements	
		2015	2014
Short-term loans from financial institutions	2.6 - 2.9	530,000	-

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade payables - related parties	42,714	36,633	60,271	55,139
Trade payables - unrelated parties	51,973	68,650	45,236	26,957
Other payables for purchase of equipment - a subsidiary	-	-	40,977	-
Other payables for purchase of equipment - unrelated parties	55,213	43,533	55,213	42,803
Other payables - a subsidiary	-	-	7	-
Other payables - unrelated parties	621	1,943	621	1,855
Total trade and other payables	150,521	150,759	202,325	126,754

17. Provisions

In October 2014, the Company entered into an advertisement concession agreement for exclusive rights to manage and provide advertising space, and relevant amendment agreements, with an unrelated company, which granted exclusive rights to manage and provide advertising space in its department stores. Subsequently, the Company found that the unrelated company breached the agreement. The Company's Board of Directors meeting No. 5/2015 considered and passed a resolution to terminate the agreements with that company. The Company already sent that company notification of the termination. As a result, as at 31 March 2015, the Company recognised allowance of Baht 102 million in the consolidated financial statements and Baht 127 million in the separate financial statements for impairment loss on equipment and other assets in relation to the agreement and recorded provisions for terminating the agreement amounting to Baht 113 million in both the consolidated and separate financial statements. In addition, the Company recorded provision of approximately Baht 53 million for revenues being lower than the minimum guaranteed amounts for another agreement that the Company made with a related company, because the Company's revenues were less than the minimum guaranteed amounts stipulated in the agreement. However, the recording of such provision does not in any way constitute an acceptance of the Company's obligation to pay such liabilities.

18. Provision for long-term employee benefits

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Defined benefit obligation at beginning of year				
Current service cost	3,638	3,430	2,980	3,153
Interest cost	1,061	884	974	827
Benefits paid during the year	(13,386)	-	(12,135)	-
Past service costs	25,868	21,554	23,748	19,768
Provisions for long-term employee benefits at end of year	17,181	25,868	15,567	23,748

Long-term employee benefit expenses included in the profit or loss consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current service cost	3,638	3,430	2,980	3,153
Interest cost	1,061	884	974	827
Total expense recognised under administrative expenses in profit or loss	4,699	4,314	3,954	3,980

As at 31 March 2015, cumulative actuarial losses, which were recognised in other comprehensive income of the Company and its subsidiaries, amounted to approximately Baht 2 million (The Company only: Baht 3 million) (2014: Baht 2 million (The Company only: Baht 3 million)).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated / Separate financial statements	
	2015 (% per annum)	2014 (% per annum)
Discount rate	4.1	4.1
Future salary increase rate	5.0	5.0
Staff turnover rate	2.0 - 9.0	2.0 - 9.0

The amounts of defined benefit obligations and experience adjustments for the current year and the past four years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments on the obligation	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
For the years ended 31 March				
2015	17,181	15,567	-	-
2014	25,868	23,748	-	-
2013	21,554	19,768	1,200	1,957
2012	15,836	14,393	-	-
2011	13,299	12,192	-	-

19. Share capital

On 3 July 2014, the Annual General Meeting of the Company's shareholders passed the following significant resolutions.

- a) Decrease the Company's registered share capital from Baht 343,198,879.90 (3,431,988,799 ordinary shares with a par value of Baht 0.1 each) to Baht 343,197,362.50 (3,431,973,625 ordinary shares with a par value of Baht 0.1 each) by cancellation of 15,174 unissued ordinary shares with a par value of Baht 0.1 each.

The Company registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 4 July 2014.

- b) Increase the Company's registered share capital from Baht 343,197,362.50 (3,431,973,625 ordinary shares with a par value of Baht 0.1 each) to Baht 428,996,703.20 (4,289,967,032 ordinary shares with a par value of Baht 0.1 each) by issuing 857,993,407 ordinary shares with a par value of Baht 0.1 each to accommodate the exercise of the warrants as described in Note 20 to the consolidated financial statements.

The Company registered the corresponding increase in its registered share capital with the Ministry of Commerce on 7 July 2014.

Subsequently, on 11 March 2015, the Extraordinary General Meeting of the Company's shareholders No. 1/2015 passed the following significant resolutions.

- a) Decrease the Company's registered share capital from Baht 428,996,703.20 (4,289,967,032 ordinary shares with a par value of Baht 0.1 each) to Baht 428,996,626.50 (4,289,966,265 ordinary shares with a par value of Baht 0.1 each) by cancellation of the 767 unissued ordinary shares with a par value of Baht 0.1 each remaining from the issuance of the ordinary shares to accommodate the exercise of the VGI-W1 warrants.

The Company registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 17 March 2014.

- b) Increase the Company's registered share capital from Baht 428,996,626.50 (4,289,966,265 ordinary shares with a par value of Baht 0.1 each) to Baht 857,993,253 (8,579,932,530 ordinary shares with a par value of Baht 0.1 each) by issuing 4,289,966,265 ordinary shares with a par value of Baht 0.1 each to accommodate the stock dividend issuance and the adjustment of the rights of the VGI-W1 warrants.

The Company registered the corresponding increase in its registered share capital with the Ministry of Commerce on 18 March 2015.

- c) Issue to the shareholders a stock dividend as described in Note 28 to the consolidated financial statements. The stock dividend will be issued on 31 March 2015.

The Company issued a stock dividend of 3,431,975,575 ordinary shares on 31 March 2015. The Company registered the issue of ordinary shares with the Ministry of Commerce on the same date.

20. Warrants

(Unit: Thousand units)

Balance as at 1 April 2014	-
Issued during the year	857,993
Exercised during the year	(201)
Balance as at 31 March 2015	<u>857,792</u>

On 3 July 2014, the Annual General Meeting of the Company's shareholders passed a resolution to issue up to 857,993,407 warrants to purchase newly issued ordinary shares of the Company (VGI-W1), to be allocated to the existing shareholders of the Company on a pro rata basis to their respective shareholding (rights offering), at no cost. Details are as follows.

Issuance date	1 August 2014
Number of warrants granted	857,992,640 warrants
Allocation ratio	1 warrant to 4 existing ordinary shares
Term of warrants	4 years from the issuance date
Exercisable date for the first time	The last business day of the first quarter after the issuance date
Exercise ratio	1 warrant per an ordinary share
Exercise price	Baht 14 per share

On 30 September 2014, the warrant holders exercised warrants to acquire 29,250 ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 14 per share, or for a total of Baht 409,500. The Company registered the corresponding increase in its issued and fully paid-up share capital with the Ministry of Commerce on 3 October 2014.

On 11 March 2015, the Extraordinary General Meeting of the Company's shareholders No. 1/2015 passed a resolution to adjust the exercise price of the warrants, from Baht 14 per share to Baht 7 per share, and the exercise ratio of the warrants, from 1 warrant per ordinary share to 1 warrant per 2 ordinary shares, due to the stock dividend issuance.

Subsequently, on 31 March 2015, the warrant holders exercised warrants to acquire 343,202 ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 7 per share, or total share subscriptions received in advance of Baht 2,402,414. The Company registered the corresponding increase in its issued and fully paid-up share capital with the Ministry of Commerce on 3 April 2015.

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

22. Service income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Advertising income	2,458,672	2,640,605	1,952,193	1,943,586
Income from renting of spaces	283,780	265,814	283,780	265,814
Other service income	220,241	242,620	187,527	201,371
Total	2,962,693	3,149,039	2,423,500	2,410,771

23. Expenses by nature

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Salaries and wages and other employee benefits	318,029	381,831	264,284	317,274
Depreciation and amortisation	160,301	90,389	158,850	78,249
Concession fees	726,813	802,395	405,727	420,919
Costs of services	144,549	156,400	100,452	103,976
Signboard and premise taxes	52,304	49,836	51,653	49,291

24. Income tax

Income tax expenses for the years are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax:				
Current income tax charge	278,638	283,338	252,416	245,860
Deferred tax:				
Relating to origination and reversal of temporary differences	(60,941)	(10,441)	(64,581)	(10,059)
Income tax expense reported in the statement of comprehensive income	217,697	272,897	187,835	235,801

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounting profit before tax	1,055,273	1,418,623	1,030,621	1,363,068
Applicable tax rate (%)	20	20	20	20
Accounting profit before tax multiplied by income tax rate	211,055	283,725	206,124	272,614
Effects of:				
Non-deductible expenses	9,081	2,279	8,757	1,489
Additional expense deductions allowed	(360)	(1,398)	(360)	(1,398)
Exemption of income	-	-	(27,609)	(36,904)
Difference in tax rates of a subsidiary in an overseas country	50	(252)	-	-
Tax losses for the year of a subsidiary which deferred tax assets have not been recognised	-	1,259	-	-
Allowance for impairment of investment	-	(9,071)	-	-
Others	(2,129)	(3,645)	923	-
Total	6,642	(10,828)	(18,289)	(36,813)
Income tax expenses reported in the statement of comprehensive income	217,697	272,897	187,835	235,801

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Deferred tax assets				
Allowance for doubtful accounts	1,931	2,487	1,899	2,122
Allowance for impairment of investment	9,071	9,071	9,071	9,071
Unrealised gain on sales of investments in an associate	14,885	-	15,032	-
Allowance for impairment loss of assets	13,062	-	18,062	-
Provisions	33,346	-	33,346	-
Provision for long-term employee benefits	3,436	5,173	3,113	4,749
Others	1,941	-	-	-
Total	77,672	16,731	80,523	15,942

25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares to reflect the impacts of the stock dividend as described in Note 28 to the consolidated financial statements. The prior year's basic earnings per share has been recalculated as if the stock dividend had been distributed and registered at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014 (Restated)
Profit for the year attributable to equity holders of the Company (thousand Baht)	837,576	1,145,726	842,786	1,127,267
Weighted average number of ordinary shares (thousand shares)	6,863,871	6,863,856	6,863,871	6,863,856
Earnings per share (Baht)	0.12	0.17	0.12	0.16

The exercise price of the warrants (VGI-W1) is higher than the average market price of the Company's ordinary shares for the year ended 31 March 2015. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements.

26. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Chief Executive Officer.

The business operations of the Company and its subsidiaries involve 3 principal segments: the elevated mass transit system segment ("BTS segment"), advertising spaces in modern trade segment ("Modern trade segment") and other segment. These operations are mainly carried on in Thailand.

The following table presents revenues and profit information regarding the operating segments of the Company and its subsidiaries for the years.

(Unit: Million Baht)

	BTS segment		Modern trade segment		Other segment		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014
Revenues								
External customers	1,805	1,679	969	1,295	189	175	2,963	3,149
Inter-segment	-	-	27	42	41	90	68	132
Total revenues	1,805	1,679	996	1,337	230	265	3,031	3,281
Adjustments and eliminations	-	-	(27)	(42)	(41)	(90)	(68)	(132)
Total revenues - net	1,805	1,679	969	1,295	189	175	2,963	3,149
Results								
Segment profit	1,361	1,339	129	283	69	138	1,559	1,760
Adjustments and eliminations	12	25	46	39	21	(16)	79	48
Segment profit - net	1,373	1,364	175	322	90	122	1,638	1,808
Unallocated income and expenses:								
Gain on sales of investments in an associate							53	-
Other income							47	47
Selling expenses							(73)	(69)
Administrative expenses							(344)	(357)
Impairment loss of assets							(102)	-
Loss on provisions for terminating agreements							(113)	-
Loss on provisions for revenues being lower than the minimum guaranteed amounts							(53)	-
Other expenses							(2)	(8)
Share of profit (loss) from investments in a joint venture and an associate							15	(1)
Finance cost							(10)	(1)
Income tax expenses							(218)	(273)
Profit for the year							838	1,146

Transfer prices between operating segments are set out in Note 6 to the consolidated financial statements.

The following table presents total assets information regarding the operating segments of the Company and its subsidiaries.

(Unit: Million Baht)

	BTS segment		Modern trade segment		Other segment		Adjustments and eliminations		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Trade and other receivables	347	336	117	221	115	76	(60)	(26)	519	607
Short-term loans to a subsidiary	-	-	48	97	-	-	(48)	(97)	-	-
Investments in a joint venture	-	-	-	-	79	45	(15)	-	64	45
Investments in an associate	-	-	-	-	627	-	4	-	631	-
Equipment	1,094	819	15	138	173	10	(20)	(44)	1,262	923
Goodwill	-	-	-	-	79	79	-	-	79	79
Unallocated assets	-	-	-	-	731	1,087	-	-	731	1,087
Total assets	1,441	1,155	180	456	1,804	1,297	(139)	(167)	3,286	2,741

For the year ended 31 March 2015, the Company and its subsidiaries have revenues from top 10 major customers in total amount of Baht 2,020 million, arising from BTS, modern

trade and other segments (2014: Baht 2,176 million derived from top 10 major customers, arising from BTS, modern trade and other segments).

27. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and employees contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by Bangkok Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 March 2015, the Company and its subsidiaries contributed Baht 9 million (2014: Baht 8 million) to the fund (the Company only: Baht 7 million (2014: Baht 6 million)).

28. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2013	Annual General Meeting of the shareholders on 4 July 2013		
Stock dividend		30	0.010
Cash dividend		420	0.140
Interim dividends for 2014	Extraordinary General Meeting of the shareholders No. 2/2013 on 9 December 2013		
Stock dividend		13	0.004
Cash dividend		594	0.180
Total for the year ended 31 March 2014		1,057	
Final dividends for 2014	Annual General Meeting of the shareholders on 3 July 2014	446	0.130
Interim dividends for 2015	Board of Directors' meeting No. 1/2015 on 30 January 2015	480	0.140
Interim dividends for 2015	Extraordinary General Meeting of the shareholders No. 1/2015 on 11 March 2015		
Stock dividend		343	0.100
Cash dividend		38	0.011
Total for the year ended 31 March 2015		1,307	

29. Commitments and contingent liabilities

29.1 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Payable:				
In up to 1 year	25	22	22	19
In over 1 and up to 4 years	31	30	29	29

29.2 Long-term commitments

a) The Company and its subsidiaries had outstanding commitments with respect to the concession fees stipulated in the agreements as follows.

- 1) An agreement with its parent company to obtain a 17-year license to manage and provide advertising spaces on BTS stations, BTS trains and to manage the merchandising areas and marketing activities at BTS stations, including commercial broadcasting through plasma screens and LCD screens
- 2) Concession agreements for the management and provision of advertising space in department stores, and other related agreements
- 3) Concession agreements for the installation and management of advertising media in buildings with a related company and unrelated companies, whereby it is to install, and manage the provision of advertising through, LCD screens in these buildings

As at 31 March 2015, the Company and its subsidiaries had outstanding commitments with respect to minimum guarantees under concession agreements. Fees are payable as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Fees payable:				
In up to 1 year	113	536	113	203
In over 1 and up to 5 years	87	86	87	86
In over 5 years	11	-	11	-

These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

- b) As at 31 March 2015, the Company and its subsidiaries had outstanding commitments which future payments are required in respect of service agreements as follows.

(Unit: Million currency units)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Baht	165	82	158	71
Hong Kong dollar	-	1	-	1

29.3 Guarantees

As at 31 March 2015, there were outstanding bank guarantees of approximately Baht 24 million (2014: Baht 23 million and SGD 9 million) issued by banks on behalf of the Company to guarantee contractual performance in respect of certain performance bonds as required in the normal course of business.

30. Financial instruments

30.1 Financial risk management

Financial instruments of the Company and its subsidiaries, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, loans, investments, and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, loans and investments. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from acquisitions of equipment for operations and financial transactions with an overseas subsidiary that are denominated in foreign currencies. The Company and its subsidiaries do not utilise forward exchange contracts to hedge the foreign currency risk.

30.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

31. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that they have appropriate capital structure in order to support their business and maximise shareholder value. As at 31 March 2015, the Group's debt-to-equity ratio was 0.80:1 (2014: 0.40:1) and the Company's was 0.82:1 (2014: 0.37:1).

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 6 May 2015.

Definitions

Otherwise specified in this document, the following terms shall have the following meanings

Terms	Definitions
888 Media	888 Media Company Limited
999 Media	999 Media Company Limited
Agency	The advertising agency
Airport Rail Link	Train Transportation System connecting to Suvarnabhumi Airport
Bangkok	Bangkok Metropolitan
BMA	Bangkok Metropolitan Administration, including other agencies that may have the authority to act on behalf of BMA. In this case, it means Krungthep Thanakom Company Limited
BRT	Bus Rapid Transit provides the mass transit in the urban and outlying areas. It is a bus using a speed higher than the normal bus by driving on the special lane that is separated from the main road. At present, there is 12 stations altogether 15 km in distance to provide the service from Chong Nonsi along Narathiwas Road through Rama III Road to Ratchapruek having the station connecting to BTS at Chong Nonsi station.
BTS Silom Line	BTS SkyTrain System which consists of 7 stations (including Siam station) with a combined track length of 6.5 km, passing through the central business district and connecting National Stadium station and Saphan Taksin station
BTS Silom Line Extension	BTS SkyTrain System which consists of 6 stations connecting Saphan Taksin station and Bang Wa station (where BTSC is a service provider of Silom Line Extension providing operation and maintenance services to BMA).
BTS Skytrain	The first elevated electric train in Thailand is built above ground in the central business district managed by BTSC, divided into two routes which are (1) Sukhumvit Line and (2) Silom Line
BTS Sukhumvit Line	BTS SkyTrain System which consists of 17 stations (including Siam station) with a combined track length of 17 km, connecting Mo Chit station and On Nut station.
BTS Sukhumvit Line Extension	BTS SkyTrain System which consists of 5 stations connecting On Nut station and Bearing station
BTSC	Bangkok Mass Transit System Public Company Limited
BTSG	BTS Group Holdings Public Company Limited
Combined Package	Selling of advertising media by combining single packages together, it may be the same type of different places or different media to sell a larger package
Company / VGI	VGI Global Media Public Company Limited
Company Group	VGI Global Media Public Company Limited and its subsidiaries
Core Network	The original mass transit line in Bangkok comprising two lines, the Sukhumvit Line and the Silom Line (collectively, the "Green Line"), covering 23 stations with a combined track length of 23.5 km.



Terms	Definitions
Concession Agreement	The concession agreement for the Bangkok mass transit system Sky Train (BTS) between BMA and BTSC dated April 9, 1992
Digital Media	Multimedia and point of purchase radio (POP Radio).
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest and taxes, depreciation and amortization
MACO	Master Ad Public Company Limited
Member of the Executive Committee	Member of the Executive Committee, who may be and/or not be the Company's directors
Midas	Midas Global Media Company Limited
Modern Trade	Modern retail stores characterized by countrywide network such as Tesco Lotus and Big C
MRT	M.R.T. Chaloem Ratchamongkhon from Hua Lamphong - Bang Sue, with combined track length of 20 km, totaling 18 stations and having the station connecting to 3 BTS stations at Sala Deang, Asok and Mo Chit
MRTA	Mass Rapid Authority of Thailand
Multimedia	Advertising media consists of pictures and voice in the form of short advertising broadcast on the digital screens such as the plasma or LCD or LED screens, etc.
Non-Sales Floor	Modern trade areas on the outside of the entire display shelves, including from the entrance to the store, car park, entrance area, the restaurant, shops and food court area and toilets (Most area at the outside area that the store invests and allows the goods and service owners to rent the store front)
Point of Purchase Radio (POP Radio)	Radio advertising media broadcast in modern trade covering the sales floor and the non-sales floor
POV	Point of View (POV) Media Group Company Limited
Right to Advertise in the Office Building Agreement	LCD Screens Installation and Management in Office Building Agreement, being granted the right to manage the advertising space inside the passenger lifts and the lobby of the office buildings
Right to Marketing Manage in the BTS Sky Train System	License to Manage Marketing Services Agreement entered into with BTSC being granted the Company exclusive right to manage the advertising space and merchandising areas in the BTS Skytrain system
Sales Floor	The modern trade areas on the inside is the center of the large consumer goods, where the store is the owner and supplier of goods for sales, including the area behind the cashier counter divided into zones are (1) Health & beauty products (2) Fresh food (3) Dairy frozen food (4) Food & beverage, household & club pack
SEC	The Securities and Exchange Commission.
SET	The Stock Exchange of Thailand
Single Package	Selling of advertising media of the same type by combining the locations of the advertisements in each area together
Static Media	Stationary advertising media such as vinyl sign, light box, Trivision, escalator gateway, sticker on the floor and toilet mirrors, etc.

Terms	Definitions
VGI Ad	VGI Advertising Media Company Limited
VGI Ad China	VGI Advertising China Company Limited
VGI-W1 / VGI-W1 Warrants	Warrants to Purchase the Newly Issued Ordinary Shares of the Company No. 1 (VGI-W1)





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