

JKN Global Media Public Company Limited
and its subsidiaries
Review report and interim consolidated financial statements
For the three-month and nine-month periods ended
30 September 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of JKN Global Media Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of JKN Global Media Public Company Limited and its subsidiaries as at 30 September 2017, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of JKN Global Media Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 3 November 2017

JKN Global Media Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		58,602	43,249	32,567	32,555
Trade and other receivables	3, 4	608,267	299,449	594,721	261,337
Inventories		26,196	9,271	26,196	9,271
Value added tax receivable		39,262	64,289	36,381	62,160
Other current assets		7,052	5,926	4,098	4,373
Total current assets		739,379	422,184	693,963	369,696
Non-current assets					
Restricted bank deposits		71,851	42,564	71,851	42,564
Investment in subsidiaries		-	-	102,999	102,999
Equipment		22,530	5,540	21,204	4,355
Advance payment for purchased program rights		107,899	182,224	107,899	182,224
Intangible assets - program rights	5	1,218,741	1,023,016	1,219,973	1,023,161
Computer software		853	1,019	571	683
Deferred tax assets		3,667	-	721	-
Other non-current assets		11,118	19,141	1,213	2,737
Total non-current assets		1,436,659	1,273,504	1,526,431	1,358,723
Total assets		2,176,038	1,695,688	2,220,394	1,728,419

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

JKN Global Media Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	6	615,422	409,802	615,422	409,802
Trade and other payables	3, 7	65,789	87,258	68,713	84,241
Current portion of long-term debentures	9	391,878	-	391,878	-
Current portion of liabilities under hire purchase agreements		2,240	-	2,240	-
Income tax payable		29,388	21,088	29,388	21,088
Advance receive for program rights	3	115,825	-	135,613	41,584
Withholding tax awaiting for submission	8	5,322	145,825	4,858	144,788
Provision for penalties and surcharges	8	-	22,068	-	21,952
Other current liabilities	8	8,148	71,191	6,133	68,460
Total current liabilities		1,234,012	757,232	1,254,245	791,915
Non-current liabilities					
Long-term debentures - net of current portion	9	203,408	384,776	203,408	384,776
Liabilities under hire purchase agreements - net of current portion		7,006	-	7,006	-
Deferred tax liabilities		-	74	-	74
Provision for long-term employee benefits		8,960	5,106	8,890	5,106
Total non-current liabilities		219,374	389,956	219,304	389,956
Total liabilities		1,453,386	1,147,188	1,473,549	1,181,871
Shareholders' equity					
Share capital					
Registered	10				
540,000,000 ordinary shares of Baht 0.5 each (31 December 2016: 515,000,000 ordinary shares of Baht 0.5 each)		270,000	257,500	270,000	257,500
Issued and fully paid-up					
400,000,000 ordinary shares of Baht 0.5 each		200,000	200,000	200,000	200,000
Retained earnings					
Appropriated - statutory reserve		8,288	8,288	8,288	8,288
Unappropriated		520,468	346,316	538,557	338,260
Other components of shareholders' equity		(6,104)	(6,104)	-	-
Total shareholders' equity		722,652	548,500	746,845	546,548
Total liabilities and shareholders' equity		2,176,038	1,695,688	2,220,394	1,728,419
		-	-	-	-

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

Directors

(Unaudited but reviewed)

JKN Global Media Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2017

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales income		2,276	4,742	2,276	4,742
Service income		20,073	5,407	-	1
Revenue from program rights		313,489	209,280	315,948	214,869
Other income		525	212	1,326	1,016
Total revenues		<u>336,363</u>	<u>219,641</u>	<u>319,550</u>	<u>220,628</u>
Expenses					
Cost of goods sold		1,137	1,921	1,137	1,921
Cost of services		9,269	4,874	-	-
Cost of program rights		166,357	117,638	171,081	117,635
Selling and servicing expenses		4,774	2,155	5,903	1,199
Administrative expenses		16,847	24,867	13,554	22,742
Total expenses		<u>198,384</u>	<u>151,455</u>	<u>191,675</u>	<u>143,497</u>
Profit before finance cost and income tax expenses		<u>137,979</u>	<u>68,186</u>	<u>127,875</u>	<u>77,131</u>
Finance cost		(22,998)	(20,261)	(22,998)	(20,261)
Profit before income tax expenses		<u>114,981</u>	<u>47,925</u>	<u>104,877</u>	<u>56,870</u>
Income tax expenses	11	(21,412)	(11,562)	(21,192)	(13,109)
Profit for the period		<u>93,569</u>	<u>36,363</u>	<u>83,685</u>	<u>43,761</u>
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		<u>93,569</u>	<u>36,363</u>	<u>83,685</u>	<u>43,761</u>
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	12	<u>0.23</u>	<u>0.09</u>	<u>0.21</u>	<u>0.11</u>

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

(Unaudited but reviewed)

JKN Global Media Public Company Limited and its subsidiaries**Statement of comprehensive income****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales income		3,143	4,982	3,143	4,982
Service income		36,340	45,120	-	26,128
Revenue from program rights		832,062	540,483	874,635	556,790
Other income		2,060	2,700	4,407	4,767
Total revenues		873,605	593,285	882,185	592,667
Expenses					
Cost of goods sold		1,489	2,123	1,489	2,123
Cost of services		17,209	19,678	-	1,070
Cost of program rights		459,870	274,509	464,594	274,509
Selling and servicing expenses		8,650	3,757	9,646	1,226
Administrative expenses		94,904	62,258	85,836	56,798
Total expenses		582,122	362,325	561,565	335,726
Profit before finance cost and income tax expenses		291,483	230,960	320,620	256,941
Finance cost		(61,992)	(55,556)	(61,992)	(55,556)
Profit before income tax expenses		229,491	175,404	258,628	201,385
Income tax expenses	11	(53,381)	(38,984)	(56,373)	(42,414)
Profit for the period		176,110	136,420	202,255	158,971
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss		(2,447)	-	(2,447)	-
Less: Income tax effect	11	489	-	489	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(1,958)	-	(1,958)	-
Other comprehensive income for the period		(1,958)	-	(1,958)	-
Total comprehensive income for the period		174,152	136,420	200,297	158,971
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	12	0.44	0.34	0.51	0.40

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

(Unaudited but reviewed)

JKN Global Media Public Company Limited and its subsidiaries

Statement of cash flows

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before tax	229,491	175,404	258,628	201,385
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	1,556	542	1,253	279
Amortisation	472,010	261,560	444,986	261,363
Allowance for doubtful accounts (reversal)	(314)	1,625	(314)	1,625
Gain on sale of equipment	-	(85)	-	(81)
Allowance for impairment loss on intangible assets	-	2,438	-	2,438
Amortisation of deferred debenture issuing cost	8,498	1,747	8,498	1,747
Long-term employee benefit expenses	1,407	483	1,337	483
Interest expenses	48,021	44,129	48,021	44,129
Profit from operating activities before changes in operating assets and liabilities	760,669	487,843	762,409	513,368
Decrease (increase) in operating assets				
Trade and other receivables	(308,504)	184,776	(333,070)	173,919
Inventory	(16,925)	(2,772)	(16,925)	(2,772)
Value added tax refundable	25,027	-	25,779	-
Other current assets	(1,126)	(36,385)	275	(35,339)
Other non-current assets	8,023	740	1,524	(1,059)
Increase (decrease) in operating liabilities				
Trade and other payables	(22,606)	5,571	(16,665)	32,785
Advance receive for program rights	115,825	-	94,029	43,756
Withholding tax awaiting for submission	(140,503)	91,408	(139,930)	90,481
Provision for penalties and surcharges	(22,068)	-	(21,952)	-
Other current liabilities	(62,047)	43,350	(62,327)	43,124
Cash from operating activities	335,765	774,531	293,147	858,263
Cash paid for interest expenses	(46,884)	(38,785)	(46,884)	(38,785)
Cash paid for corporate income tax	(49,329)	(44,750)	(48,379)	(43,470)
Net cash from operating activities	239,552	690,996	197,884	776,008

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

(Unaudited but reviewed)

JKN Global Media Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Acquisition of equipment	(9,132)	(3,828)	(8,688)	(3,172)
Acquisition of intangible assets	(667,569)	(789,322)	(641,686)	(789,151)
Decrease (increase) in advance payment for purchased program rights	74,325	(156,823)	74,325	(156,823)
Cash paid to purchase investments in subsidiaries	-	-	-	(1,000)
Decrease in loans to related parties	-	87,254	-	-
Increase in restricted bank deposits	(29,287)	(80,814)	(29,287)	(80,814)
Cash received from sale of equipment	-	1,044	-	868
Net cash used in investing activities	<u>(631,663)</u>	<u>(942,489)</u>	<u>(605,336)</u>	<u>(1,030,092)</u>
Cash flows from financing activities				
Increase (decrease) short-term loans from financial institutions	205,620	(140,803)	205,620	(140,803)
Repayment of liabilities under hire purchase agreements	(168)	-	(168)	-
Decrease in loans from related parties	-	(2,191)	-	(2,090)
Net cash received from issuance of debentures	202,012	380,782	202,012	380,782
Net cash from financing activities	<u>407,464</u>	<u>237,788</u>	<u>407,464</u>	<u>237,889</u>
Net increase (decrease) in cash and cash equivalents	<u>15,353</u>	<u>(13,705)</u>	<u>12</u>	<u>(16,195)</u>
Cash and cash equivalents at beginning of period	43,249	20,017	32,555	17,562
Cash and cash equivalents at end of period	<u>58,602</u>	<u>6,312</u>	<u>32,567</u>	<u>1,367</u>
	-	-	-	-
Supplement cash flows information				
Non - cash transactions				
Acquisition of assets under hire purchase agreements	9,414	-	9,414	-

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

JKN Global Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements				Total shareholders' equity
	Issued and paid-up share capital	Retained earnings		Other components of shareholders' equity	
		Appropriated	Unappropriated	Deficit on business combination under common control	
Balance as at 1 January 2016	200,000	-	190,514	(6,104)	384,410
Total comprehensive income for the period	-	-	136,420	-	136,420
Balance as at 30 September 2016	<u>200,000</u>	<u>-</u>	<u>326,934</u>	<u>(6,104)</u>	<u>520,830</u>
Balance as at 1 January 2017	200,000	8,288	346,316	(6,104)	548,500
Profit for the period	-	-	176,110	-	176,110
Other comprehensive income for the period	-	-	(1,958)	-	(1,958)
Total comprehensive income for the period	-	-	174,152	-	174,152
Balance as at 30 September 2017	<u>200,000</u>	<u>8,288</u>	<u>520,468</u>	<u>(6,104)</u>	<u>722,652</u>

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

JKN Global Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Separate financial statements			Total shareholders' equity
	Issued and paid-up share capital	Retained earnings		
		Appropriated	Unappropriated	
Balance as at 1 January 2016	200,000	-	180,790	380,790
Total comprehensive income for the period	-	-	158,971	158,971
Balance as at 30 September 2016	200,000	-	339,761	539,761
Balance as at 1 January 2017	200,000	8,288	338,260	546,548
Profit for the period	-	-	202,255	202,255
Other comprehensive income for the period	-	-	(1,958)	(1,958)
Total comprehensive income for the period	-	-	200,297	200,297
Balance as at 30 September 2017	200,000	8,288	538,557	746,845

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

JKN Global Media Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and nine-month periods ended 30 September 2017

1. General information

1.1 Corporate information

JKN Global Media Public Company Limited (“the Company”) is a limited company incorporated and domiciled in Thailand. Its registered address is 45/14, JKN Gallery Salaya Building, Moo1, Tumbon Songkanong, Amphur Sampran, Nakhonpatom.

The Company and its subsidiaries (together “the Group”) are principally engaged as follows:

- a) Distribution of global and local contents of the movies, series and the documentaries as well as production and distribution of the said on DVD and Blu-ray.
- b) Advertising services and production of television programs.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No.34 (revised 2016) *Interim Financial Reporting*, with the Group choosing to present condensed interim financial statements. However, the Group has presented the statements of financial position, statements of comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.3 Basis of consolidation

The interim consolidated financial statements include the financial statements of JKN Global Media Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2016. There have been no change in the composition of the Group during the current period.

1.4 New financial reporting standards

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

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016.

3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2017	2016	2017	2016	
<u>Transaction with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Revenue from program rights	-	-	3	5	Contract Price
Service expenses	-	-	6	-	Contract Price

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transaction with related parties</u>					
Rental expenses	2	2	2	2	With reference with market price
Rental of airtime expenses	-	2	-	-	Contract Price

(Unit: Million Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transaction with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Revenue from program rights	-	-	43	16	Contract Price
Other income	-	-	2	2	Contract Price
Rental of airtime expenses	-	-	-	2	Contract Price
Service expenses	-	-	6	-	Contract Price
<u>Transaction with related parties</u>					
Service income	-	7	-	-	Contract Price
Sales income	1	-	1	-	Contract Price
Rental expenses	7	6	7	6	With reference with market price
Rental of airtime expenses	-	14	-	-	Contract Price

(Unaudited but reviewed)

The balances of the accounts as at 30 September 2017 and 31 December 2016 between the Group and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	(Audited)		(Audited)	
<u>Trade and other receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	17,295	284
Related companies (related by common shareholder)	163	6,178	163	3,788
Total trade and other receivables - related parties	163	6,178	17,458	4,072
<u>Rental deposits</u>				
Related company (related by common shareholder)	846	846	846	846
Total rental deposits	846	846	846	846
<u>Trade and other payables - related parties (Note 7)</u>				
Subsidiaries	-	-	7,609	3,259
Related companies (related by common shareholder)	-	9,824	-	9,824
Total trade and other payables - related parties	-	9,824	7,609	13,083
<u>Advance receive for program rights - related party</u>				
Subsidiary	-	-	19,788	41,584
Total advance receive from program rights - related party	-	-	19,788	41,584

Loans from related parties

As at 30 September 2017 and 31 December 2016, the balance of loans between the Group and those related companies and the movement are as follows:

Loans from	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	31 December 2016	during the period	during the period	30 September 2017
<u>Subsidiaries</u>				
JKN Channel Company Limited	-	21,700	(21,700)	-
JKN Knowledge Company Limited	-	900	(900)	-
JKN News Company Limited	-	500	(500)	-
Total loans from related parties	-	23,100	(23,100)	-

Loans to related party and loans from related parties are repayable at call, no guarantee and do not carry interest.

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and nine-month period ended 30 September 2017 and 2016, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	6,214	3,770	5,614	3,600
Post-employment benefits	251	74	251	74
Total	<u>6,465</u>	<u>3,844</u>	<u>5,865</u>	<u>3,674</u>

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	20,201	11,792	18,601	11,622
Post-employment benefits	6,949	2,144	6,949	2,144
Total	<u>27,150</u>	<u>13,936</u>	<u>25,550</u>	<u>13,766</u>

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	158	5,726	4,125	3,870
Past due				
Up to 3 months	5	62	471	62
Total	<u>163</u>	<u>5,788</u>	<u>4,596</u>	<u>3,932</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	256,786	195,911	240,039	163,502
Past due				
Up to 3 months	244,241	52,696	242,842	50,705
3 - 6 months	56,175	19,608	54,245	18,336
6 - 12 months	37,606	16,649	26,841	16,649
Over 12 months	2,426	7,491	2,426	7,491
Total	597,234	292,355	566,393	256,683
Less: Allowance for doubtful accounts	(2,426)	(2,740)	(2,426)	(2,740)
Net	594,808	289,615	563,967	253,943
Total trade receivables - net	594,971	295,403	568,563	257,875
<u>Other receivables</u>				
Other receivables - related parties	-	138	12,862	138
Other receivables - unrelated parties	13,296	3,344	13,296	3,010
Accrued income - related parties	-	2	-	2
Interest receivable - related parties	-	250	-	-
Interest receivable - unrelated parties	-	312	-	312
Total other receivables	13,296	4,046	26,158	3,462
Total trade and other receivables - net	608,267	299,449	594,721	261,377

As at 30 September 2017, the above trade accounts receivable approximately Baht 504 million (31 December 2016: Baht 116 million) have been sold at a discount to financial institutions, with recourse.

5. Intangible assets

Movements of the intangible assets account during the nine-month period ended 30 September 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial	financial
	statements	statements
Net book value as at 1 January 2017	1,023,016	1,023,161
Acquisitions during the period - at cost	667,569	641,686
Amortisation for the period	(471,844)	(444,874)
Net book value as at 30 September 2017	1,218,741	1,219,973

(Unaudited but reviewed)

6. Short-term loans from financial institutions

Short-term loans from institutions are secured by the following:

- a) The Company's bank deposits
- b) The mortgage of land including structures thereon of related party and the related company
- c) Guaranteed by a related company, the director of the Company and related party.

7. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
Trade payables - related parties	-	9,819	-	13,007
Trade payables - unrelated parties	27,234	23,886	25,825	21,227
Other payables - related parties	-	-	71	71
Other payables - unrelated parties	12,830	33,260	11,064	31,306
Accrued expenses - related parties	-	5	7,538	5
Accrued expenses - unrelated parties	25,725	20,288	24,215	18,625
Total trade and other payables	65,789	87,258	68,713	84,241

8. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
Value added tax payable	8,148	71,191	6,133	68,460
Total other current liabilities	8,148	71,191	6,133	68,460

The Group calculated the penalties and surcharges for the unpaid withholding tax and value added tax in accordance with the Revenue Code until the date of payment amounting to Baht 48 million (31 December 2016: Baht 22 million). The Group made tax payment for the withholding tax, value added tax and such penalties and surcharges to the Revenue Department in full amount.

9. Long-term debentures

On 15 June 2017, the Extraordinary General Shareholders' Meeting No. 2/2017 passed a resolution granting approval for the Company to issue Baht 300 million of unsubordinated, guaranteed debentures in the name-registered certificate with debenture holders' representative.

The Securities and Exchange Commission approved an issuance and offering the debentures No. 1/2017 to private placement up to 10 people, amounting to Baht 210 million, bearing interest at a fixed rate of 6.75 percent per annum and have the tenure of 1 year and 6 months. The terms of interest payment is every 3 month and the principal is to be redeemed on the debenture redemption date. This debenture is unsubordinated, guaranteed debentures in the name-registered certificate with debenture holders' representative.

The Company issued the debenture on 20 June 2017 amounting to Baht 210 million.

Movements in the long-term debentures account during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht) Consolidated / Separate financial statements
Balance as at 1 January 2017	384,776
Add: Debenture issuing during the period	210,000
Less: Deferred debenture issuing costs	(7,988)
Add: Amortisation of debentures issuing costs	8,498
Balance as at 30 September 2017	595,286
Less: Portion due within one year	(391,878)
Long-term debenture, net of current portion	203,408

The debenture contains terms of issue relating to the maintenance of a certain financial ratio at the end of quarterly period and at the end of year.

10. Share capital

On 23 February 2017, the Extraordinary General Meeting of the Company's Shareholders passed the following significant resolutions:

- a) Approved the decrease of the Company's registered share capital by Baht 257.5 million (515,000,000 shares at a par value of Baht 0.5 each) to Baht 200 million (400,000,000 shares at a par value of Baht 0.5 each) by cancelling the unissued shares of 115,000,000 shares at a par value of Baht 0.5 each. The Company registered the decrease of its capital with the Ministry of Commerce on 28 February 2017.

(Unaudited but reviewed)

- b) Approved the increase of the Company's registered share capital by Baht 200 million (400,000,000 shares at a par value of Baht 0.5 each) to Baht 270 million (540,000,000 shares at a par value of Baht 0.5 each). The Company registered the increase of its capital with the Ministry of Commerce on 1 March 2017.
- c) Approved the allocation of the additional ordinary shares by allocation of up to 140,000,000 additional ordinary shares with a par value of Baht 0.5 per share to be offered by way of an Initial Public Offering.

11. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	20,283	9,645	20,283	9,645
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>1,129</u>	<u>1,917</u>	<u>909</u>	<u>3,464</u>
Income tax expenses reported in the income statements	<u>21,412</u>	<u>11,562</u>	<u>21,192</u>	<u>13,109</u>

	(Unit: Thousand Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	56,633	41,246	56,679	41,246
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>(3,252)</u>	<u>(2,262)</u>	<u>(306)</u>	<u>1,168</u>
Income tax expenses reported in the income statements	<u>53,381</u>	<u>38,984</u>	<u>56,373</u>	<u>42,414</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the nine-month periods ended 30 September 2017 and 2016 are as follows:

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax relating to actuarial loss	489	-	489	-
Total	489	-	489	-

12. Earnings per share

Basic earnings per share is calculated by dividing profit attributable to equity holders of the Company for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Basic earnings per share are calculated below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit attributable to equity holders of the Company	93,569	36,363	83,685	43,761
Weighted average number of ordinary shares (Thousand shares)	400,000	400,000	400,000	400,000
Basic earnings per share (Baht/share)	0.23	0.09	0.21	0.11

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit attributable to equity holders of the Company	176,110	136,420	202,255	158,971
Weighted average number of ordinary shares (Thousand shares)	400,000	400,000	400,000	400,000
Basic earnings per share (Baht/share)	0.44	0.34	0.51	0.40

13. 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 Mr. Jakkapong Jakkajutatip.

For management purposes, the Group are organised into business units based on its products and services and have three reportable segments as follows:

- Sales of program rights
- Advertising services
- Other business

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

(Unaudited but reviewed)

The following tables present consolidated revenue and profit information regarding Group's operating segments for the three-month and nine-month periods ended 30 September 2017 and 2016, respectively.

(Unit: Million Baht)

	For the three-month periods ended 30 September											
	Sales of program rights		Advertising services		Other business		Total		Eliminations		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenues												
External customers	316	215	20	5	-	-	336	220	-	-	336	220
Inter-segment	2	5	8	5	-	-	10	10	(10)	(10)	-	-
Total revenues	318	220	28	10	-	-	346	230	(10)	(10)	336	220
Segment profit	146	99	5	(3)	-	-	151	96	8	(1)	159	95
Selling and servicing expenses											(5)	(2)
Administrative expenses											(17)	(25)
Finance cost											(23)	(20)
Income tax expenses											(21)	(12)
Profit for the period											93	36

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Sales of program rights		Advertising services		Other business		Total		Eliminations		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenues												
External customers	835	546	36	45	-	-	871	591	-	-	871	591
Inter-segment	43	16	8	6	2	2	53	24	(53)	(24)	-	-
Total revenues	878	562	44	51	2	2	924	615	(53)	(24)	871	591
Segment profit	412	284	(5)	19	2	2	409	305	(16)	(11)	393	294
Other income											2	3
Selling and servicing expenses											(9)	(4)
Administrative expenses											(95)	(62)
Finance cost											(62)	(56)
Income tax expenses											(53)	(39)
Profit for the period											176	136

14. Commitments and contingent liabilities

14.1 Capital commitments

As at 30 September 2017, the Group had capital commitments of approximately USD 9 million, relating to purchasing of program rights (31 December 2016: USD 2 million).

14.2 Operating lease and service commitments

The Group has entered into several lease and service agreements in respect of the lease of office space rental, advertising space rental, satellite service, rating service and the service for the center area and utility system. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these non-cancellable operating leases contracts and related services were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Payable:				
In up to 1 year	20	17	9	9
In over 1 and up to 3 years	2	9	2	9

14.3 Long-term service commitments

The Company has entered into license and technical assistance agreements with an overseas unrelated company for the use of a trademark and the technical services. Under the conditions of the license agreement, the Company is to pay an annual royalty fee as stipulated in the agreement amounting to approximately USD 4 million (31 December 2016: USD 4 million).

15. Financial instruments

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	(Million)	(Million) (Audited)	(Million)	(Million) (Audited)	(Baht per 1 foreign currency unit)	
US dollar	-	-	0.46	0.26	33.37	35.83

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 3 November 2017.