

JKN Global Media Public Company Limited  
and its subsidiaries  
Review report and interim consolidated financial statements  
For the three-month and six-month periods ended  
30 June 2018

## **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 June 2018, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the consolidated statements of changes in shareholders' equity, and cash flows for the six-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: 10 August 2018

**JKN Global Media Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2018**

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2018</u>	<u>31 December 2017</u>	<u>30 June 2018</u>	<u>31 December 2017</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		38,413	925,487	25,052	921,424
Current investment	4	121,422	-	121,422	-
Trade and other receivables	3, 5	929,098	739,977	888,245	686,092
Inventories		8,657	21,246	8,657	21,246
Loans to related party	3	-	-	800	500
Value added tax receivable		45,436	38,414	41,888	34,336
Other current assets		16,411	12,560	11,885	10,341
<b>Total current assets</b>		<u>1,159,437</u>	<u>1,737,684</u>	<u>1,097,949</u>	<u>1,673,939</u>
<b>Non-current assets</b>					
Restricted bank deposits		16,139	78,739	16,139	78,739
Investment in subsidiaries		-	-	102,999	102,999
Equipment		27,401	22,157	25,807	20,554
Advance payment for purchased program rights		292,647	102,904	292,647	102,904
Intangible assets - program rights	6	1,326,227	1,184,270	1,327,900	1,185,619
Computer software		3,741	798	3,511	533
Deferred tax assets		3,408	957	2,585	914
Other non-current assets		2,393	11,032	1,360	1,127
<b>Total non-current assets</b>		<u>1,671,956</u>	<u>1,400,857</u>	<u>1,772,948</u>	<u>1,493,389</u>
<b>Total assets</b>		<u>2,831,393</u>	<u>3,138,541</u>	<u>2,870,897</u>	<u>3,167,328</u>

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 June 2018**

(Unit: Thousand Baht)

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		<b>30 June 2018</b>	<b>31 December 2017</b>	<b>30 June 2018</b>	<b>31 December 2017</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	7	30,000	523,145	30,000	523,145
Trade and other payables	3, 8	86,867	79,605	98,774	86,145
Current portion of long-term debentures	9	606,781	599,042	606,781	599,042
Current portion of liabilities under hire purchase agreements		2,882	2,086	2,882	2,086
Income tax payable		24,541	16,256	24,541	16,256
Advance receive for program rights	3	77,427	64,429	88,190	83,238
Withholding tax awaiting for submission		5,524	5,959	5,399	5,733
Other current liabilities		13,184	5,159	9,057	515
<b>Total current liabilities</b>		<b>847,206</b>	<b>1,295,681</b>	<b>865,624</b>	<b>1,316,160</b>
<b>Non-current liabilities</b>					
Liabilities under hire purchase agreements - net of current portion		7,784	6,720	7,784	6,720
Provision for long-term employee benefits		11,005	9,764	10,630	9,575
<b>Total non-current liabilities</b>		<b>18,789</b>	<b>16,484</b>	<b>18,414</b>	<b>16,295</b>
<b>Total liabilities</b>		<b>865,995</b>	<b>1,312,165</b>	<b>884,038</b>	<b>1,332,455</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
648,000,000 ordinary shares of Baht 0.5 each					
(31 December 2017: 540,000,000 ordinary shares of Baht 0.5 each)					
	10	324,000	270,000	324,000	270,000
Issued and fully paid-up					
540,000,000 ordinary shares of Baht 0.5 each					
		270,000	270,000	270,000	270,000
Share premium		1,022,482	1,022,482	1,022,482	1,022,482
Retained earnings					
Appropriated - statutory reserve		18,194	18,194	18,194	18,194
Unappropriated		660,826	521,804	676,183	524,197
Other components of shareholders' equity		(6,104)	(6,104)	-	-
<b>Total shareholders' equity</b>		<b>1,965,398</b>	<b>1,826,376</b>	<b>1,986,859</b>	<b>1,834,873</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,831,393</b>	<b>3,138,541</b>	<b>2,870,897</b>	<b>3,167,328</b>
		-	-	-	-

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 June 2018**

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

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		33,173	774	33,173	774
Service income		11,958	8,129	-	-
Revenue from program rights		294,358	268,706	306,271	302,215
Other income		12,750	876	13,547	1,636
<b>Total revenues</b>		<u>352,239</u>	<u>278,485</u>	<u>352,991</u>	<u>304,625</u>
<b>Expenses</b>					
Cost of goods sold		11,854	211	11,854	211
Cost of services		7,806	3,123	-	-
Cost of program rights		190,377	157,099	192,550	157,099
Selling and servicing expenses		4,472	2,354	4,189	2,261
Administrative expenses		34,852	41,767	32,429	38,364
<b>Total expenses</b>		<u>249,361</u>	<u>204,554</u>	<u>241,022</u>	<u>197,935</u>
<b>Profit before finance cost and income tax expenses</b>		<u>102,878</u>	<u>73,931</u>	<u>111,969</u>	<u>106,690</u>
Finance cost		(15,365)	(20,982)	(15,365)	(20,982)
<b>Profit before income tax expenses</b>		<u>87,513</u>	<u>52,949</u>	<u>96,604</u>	<u>85,708</u>
Income tax expenses	11	(19,060)	(16,420)	(19,325)	(19,093)
<b>Profit for the period</b>		<u>68,453</u>	<u>36,529</u>	<u>77,279</u>	<u>66,615</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss		-	845	-	845
Less: Income tax effect	11	-	(169)	-	(169)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	676	-	676
<b>Other comprehensive income for the period</b>		<u>-</u>	<u>676</u>	<u>-</u>	<u>676</u>
<b>Total comprehensive income for the period</b>		<u>68,453</u>	<u>37,205</u>	<u>77,279</u>	<u>67,291</u>
<b>Basic earnings per share (Baht)</b>					
Profit attributable to equity holders of the Company	12	0.13	0.09	0.14	0.17

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 six-month period ended 30 June 2018**

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

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Profit or loss:					
Revenues					
Sales income		33,646	867	33,646	867
Service income		28,203	16,267	6,551	-
Revenue from program rights		621,583	518,573	639,440	558,687
Other income		14,596	1,535	16,184	3,081
Total revenues		698,028	537,242	695,821	562,635
Expenses					
Cost of goods sold		12,051	352	12,051	352
Cost of services		17,253	7,940	959	-
Cost of program rights		370,616	293,513	374,569	293,513
Selling and servicing expenses		19,777	3,876	21,243	3,743
Administrative expenses		67,178	78,057	62,102	72,282
Total expenses		486,875	383,738	470,924	369,890
Profit before finance cost and income tax expenses		211,153	153,504	224,897	192,745
Finance cost		(35,087)	(38,994)	(35,087)	(38,994)
Profit before income tax expenses		176,066	114,510	189,810	153,751
Income tax expenses	11	(37,044)	(31,969)	(37,824)	(35,181)
Profit for the period		139,022	82,541	151,986	118,570
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
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		139,022	80,583	151,986	116,612
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	12	0.26	0.21	0.28	0.30

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 six-month period ended 30 June 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities</b>				
Profit before tax	176,066	114,510	189,810	153,751
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	2,901	702	2,612	511
Amortisation	353,552	295,356	351,429	280,568
Allowance for doubtful accounts (reversal)	(82)	8,361	(82)	8,361
Unrealised gain on trading securities	(454)	-	(454)	-
Realised gain on sales of trading securities	(1,183)	-	(1,183)	-
Amortisation of deferred debenture issuing cost	7,739	4,800	7,739	4,800
Long-term employee benefit expenses	1,241	960	1,055	904
Interest expenses	26,248	28,966	26,248	28,966
Profit from operating activities before changes in operating assets and liabilities	566,028	453,655	577,174	477,861
Decrease (increase) in operating assets				
Trade and other receivables	(189,039)	(122,413)	(202,071)	(135,506)
Inventories	12,589	(12,170)	12,589	(12,170)
Value added tax receivable	(7,022)	8,510	(7,552)	9,987
Other current assets	(3,851)	(259)	(1,544)	109
Other non-current assets	8,639	1,499	(233)	1,499
Increase (decrease) in operating liabilities				
Trade and other payables	15,595	(32,768)	20,962	(34,318)
Advance receive for program rights	12,998	71,702	4,952	39,232
Withholding tax awaiting for submission	(435)	(140,101)	(334)	(139,505)
Provision for penalties and surcharges	-	(22,068)	-	(21,952)
Other current liabilities	9,932	(62,768)	8,542	(61,952)
Cash from operating activities	425,434	142,819	412,485	123,285
Cash paid for interest expenses	(34,581)	(24,931)	(34,581)	(24,931)
Cash paid for corporate income tax	(33,117)	(33,238)	(31,211)	(33,238)
<b>Net cash from operating activities</b>	<b>357,736</b>	<b>84,650</b>	<b>346,693</b>	<b>65,116</b>

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

**JKN Global Media Public Company Limited and its subsidiaries****Statement of cash flows (continued)****For the six-month period ended 30 June 2018**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Cash flows from investing activities</b>				
Purchase of investment in trading securities	(750,000)	-	(750,000)	-
Cash received from sales of investment in trading securities	648,027	-	648,027	-
Increase of long-term deposits in financial institutions	(17,812)	-	(17,812)	-
Acquisition of equipment	(5,117)	(1,647)	(4,837)	(1,534)
Acquisition of intangible assets - program rights	(495,397)	(446,868)	(493,632)	(432,115)
Acquisition of computer software	(3,003)	-	(3,003)	-
Decrease (increase) in advance payment for purchased program rights	(189,743)	32,232	(189,743)	32,232
Increase in loans to related party	-	-	(300)	-
Decrease (increase) in restricted bank deposits	62,600	(17,741)	62,600	(17,741)
<b>Net cash used in investing activities</b>	<b>(750,445)</b>	<b>(434,024)</b>	<b>(748,700)</b>	<b>(419,158)</b>
<b>Cash flows from financing activities</b>				
Decrease (increase) in short-term loans from financial institutions	(493,145)	133,358	(493,145)	133,358
Repayment of liabilities under hire purchase agreements	(1,220)	-	(1,220)	-
Net cash received from issuance of debentures	-	202,012	-	202,012
<b>Net cash from (used in) financing activities</b>	<b>(494,365)</b>	<b>335,370</b>	<b>(494,365)</b>	<b>335,370</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(887,074)</b>	<b>(14,004)</b>	<b>(896,372)</b>	<b>(18,672)</b>
Cash and cash equivalents at beginning of period	925,487	43,249	921,424	32,555
<b>Cash and cash equivalents at end of period</b>	<b>38,413</b>	<b>29,245</b>	<b>25,052</b>	<b>13,883</b>
	-	-	-	-
<b>Supplement cash flows information</b>				
Non - cash transactions				
Acquisition of assets under hire purchase agreements	3,080	-	3,080	-
Transfer equipment to computer software	(52)	-	(52)	-

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 six-month period ended 30 June 2018**

(Unit: Thousand Baht)

Consolidated financial statements

	Consolidated financial statements				Other components of	
	Issued and paid-up share capital	Share premium	Retained earnings		Deficit on business combination under common control	Total shareholders' equity
			Appropriated	Unappropriated		
<b>Balance as at 1 January 2017</b>	200,000	-	8,288	346,316	(6,104)	548,500
Profit for the period	-	-	-	82,541	-	82,541
Other comprehensive income for the period	-	-	-	(1,958)	-	(1,958)
Total comprehensive income for the period	-	-	-	80,583	-	80,583
<b>Balance as at 30 June 2017</b>	<u>200,000</u>	<u>-</u>	<u>8,288</u>	<u>426,899</u>	<u>(6,104)</u>	<u>629,083</u>
<b>Balance as at 1 January 2018</b>	270,000	1,022,482	18,194	521,804	(6,104)	1,826,376
Total comprehensive income for the period	-	-	-	139,022	-	139,022
<b>Balance as at 30 June 2018</b>	<u>270,000</u>	<u>1,022,482</u>	<u>18,194</u>	<u>660,826</u>	<u>(6,104)</u>	<u>1,965,398</u>

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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 six-month period ended 30 June 2018**

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and paid-up		Retained earnings		Total shareholders'
	share capital	Share premium	Appropriated	Unappropriated	equity
Balance as at 1 January 2017	200,000	-	8,288	338,260	546,548
Profit for the period	-	-	-	118,570	118,570
Other comprehensive income for the period	-	-	-	(1,958)	(1,958)
Total comprehensive income for the period	-	-	-	116,612	116,612
Balance as at 30 June 2017	200,000	-	8,288	454,872	663,160
Balance as at 1 January 2018	270,000	1,022,482	18,194	524,197	1,834,873
Total comprehensive income for the period	-	-	-	151,986	151,986
Balance as at 30 June 2018	270,000	1,022,482	18,194	676,183	1,986,859

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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 six-month periods ended 30 June 2018**

**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 Interim Financial Reporting, with the Group choosing to present condensed interim financial statements. However, the Group has presented the statements of financial position, statement 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 2017. There have been no change in the composition of the Group during the current period.

## **1.4 New financial reporting standards**

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

During the period, the Group has adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

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

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarized below.

#### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Group is evaluating the impact of this standard to the financial statements in the year when it is adopted.

## **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 2017.

### 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 June				
	Consolidated		Separate		
	financial statements		financial statements		
	2018	2017	2018	2017	Transfer pricing policy
<b><u>Transaction with subsidiaries</u></b>					
(Eliminated from the consolidated financial statements)					
Revenue from program rights	-	-	12	33	Contract Price
Other income	-	-	1	1	Contract Price
Advertising expenses	-	-	3	-	Contract Price
<b><u>Transaction with related parties</u></b>					
Sales income	-	1	-	1	Contract Price
Rental expenses	2	3	2	3	With reference with market price

(Unit: Million Baht)

	For the six-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		
	2018	2017	2018	2017	Transfer pricing policy
<b><u>Transaction with subsidiaries</u></b>					
(Eliminated from the consolidated financial statements)					
Revenue from program rights	-	-	18	40	Contract Price
Other income	-	-	2	2	Contract Price
Advertising expenses	-	-	7	-	Contract Price
<b><u>Transaction with related parties</u></b>					
Sales income	-	1	-	1	Contract Price
Rental expenses	5	5	5	5	With reference with market price

(Unaudited but reviewed)

The balances of the accounts as at 30 June 2018 and 31 December 2017 between the Group and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	(Audited)		(Audited)	
<b><u>Trade and other receivables - related parties (Note 5)</u></b>				
Subsidiaries	-	-	6,529	6,316
Related companies (related by common shareholder)	-	600	-	600
Total trade and other receivables - related parties	-	600	6,529	6,916
<b><u>Rental deposits</u></b>				
Related company (related by common shareholder)	1,020	846	1,020	846
Total rental deposits	1,020	846	1,020	846
<b><u>Trade and other payables - related parties (Note 8)</u></b>				
Subsidiaries	-	-	17,727	10,836
Related companies (related by common shareholder)	611	381	611	381
Total trade and other payables - related parties	611	381	18,338	11,217
<b><u>Advance receive for program rights - related party</u></b>				
Subsidiary	-	-	10,763	18,808
Total advance receive for program rights - related party	-	-	10,763	18,808

#### Loans to related party

As at 30 June 2018 and 31 December 2017, the balance of loans between the Group and those related companies and the movement are as follows:

	(Unit: Thousand Baht)			
	Separate financial statements			
Loans to	Balance as at 31 December 2017	Increase during the period	Decrease during the period	Balance as at 30 June 2018
<b><u>Subsidiary</u></b>				
JKN IMC Company Limited	500	300	-	800
Total loans to related party	500	300	-	800

Loans to related party, bearing interest at a rate of MOR percent per annum, repayable at call and no guarantee.

(Unaudited but reviewed)

#### Directors and management's benefits

During the three-month and six-month periods ended 30 June 2018 and 2017, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Short-term employee benefits	8,640	6,070	8,040	5,270
Post-employment benefits	220	189	220	189
Total	<u>8,860</u>	<u>6,259</u>	<u>8,260</u>	<u>5,459</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Short-term employee benefits	19,103	13,987	17,903	12,987
Post-employment benefits	7,022	6,697	7,022	6,697
Total	<u>26,125</u>	<u>20,684</u>	<u>24,925</u>	<u>19,684</u>

#### **4. Current investment**

(Unit: Thousand Baht)

	Consolidated / Separate	
	financial statements	
	30 June	31 December
	<u>2018</u>	<u>2017</u>
		(Audited)
Investment in trading securities - cost	103,156	-
Add: Unrealised gain on changes in value of investment	454	-
Investment in trading securities - fair value	103,610	-
Long-term deposits in financial institutions	17,812	-
Total	<u>121,422</u>	<u>-</u>

The fair value hierarchy of the above trading securities is level 1.

(Unaudited but reviewed)

Movements in the investment in trading securities during the six-month period ended 30 June 2018 are summarised below.

	(Unit: Thousand Baht) Consolidated / Separate financial statements
Book value as at 1 January 2018	-
Acquisition during the period	750,000
Disposal during the period	(646,844)
Unrealised gain on changes in value of investment in trading securities	454
Book value as at 30 June 2018 - net	103,610

## 5. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Audited)		(Audited)
<b><u>Trade receivables - related parties</u></b>				
Aged on the basis of due dates				
Not yet due	-	198	5,402	6,510
Past due				
Up to 3 months	-	397	1,103	397
3 - 6 months	-	5	-	5
Total	-	600	6,505	6,912
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	257,049	209,508	251,004	188,843
Past due				
Up to 3 months	292,296	274,312	288,229	242,478
3 - 6 months	115,104	225,210	97,856	223,819
6 - 12 months	253,428	30,356	235,556	24,045
Over 12 months	2,497	2,344	2,497	2,344
Total	920,374	741,730	875,142	681,529
Less: Allowance for doubtful accounts	(2,344)	(2,426)	(2,344)	(2,426)
Net	918,030	739,304	872,798	679,103
Total trade receivable - net	918,030	739,904	879,303	686,015



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	(Audited)		(Audited)	
<b>Other receivables</b>				
Other receivable - unrelated parties	8,918	73	8,918	73
Interest receivable - unrelated parties	2,150	-	-	-
Interest receivable - related parties	-	-	24	4
Total other receivables	11,068	73	8,942	77
Trade and other receivables - net	929,098	739,977	888,245	686,092

As at 31 December 2017, the above trade accounts receivable approximately Baht 460 million (30 June 2018: None) have been sold at a discount to financial institutions, with recourse.

## 6. Intangible assets

Movements of the intangible assets account during the six-month period ended 30 June 2018 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2018</b>	1,184,270	1,185,619
Acquisitions during the period - at cost	495,397	493,632
Amortisation for the period	(353,440)	(351,351)
<b>Net book value as at 30 June 2018</b>	1,326,227	1,327,900

## 7. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated/ Separate	
		financial statements	
		30 June 2018	31 December 2017
Factoring	MRR	-	482,665
Promissory Note	4.00	30,000	40,480
Total		30,000	523,145

Short-term loans from financial institutions are secured by the Company's bank deposits.

(Unaudited but reviewed)

## 8. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Trade payables - related parties	-	-	13,539	10,765
Trade payables - unrelated parties	33,799	22,710	32,155	21,372
Other payables - related parties	-	-	2,681	71
Other payables - unrelated parties	23,893	26,772	22,372	24,718
Accrued expenses - related parties	611	381	2,118	381
Accrued expenses - unrelated parties	28,564	29,742	25,909	28,838
Total trade and other payables	<u>86,867</u>	<u>79,605</u>	<u>98,774</u>	<u>86,145</u>

## 9. Long-term debentures

Movements in the long-term debentures account during the six-month period ended 30 June 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated / Separate financial statements
Balance as at 1 January 2018	599,042
Add: Amortisation of debentures issuing costs	7,739
Balance as at 30 June 2018	606,781
Less: Portion due within one year	(606,781)
Long-term debenture, net of current portion	<u>-</u>

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 25 April 2018, the Annual General Meeting of the Company's Shareholders passed the following significant resolutions:

- a) Approved the increase of the Company's registered share capital by Baht 270 million (540,000,000 shares at a par value of Baht 0.5 each) to Baht 324 million (648,000,000 shares at a par value of Baht 0.5 each). The Company registered the increase of its capital with the Ministry of Commerce on 18 May 2018.
- b) Approved the issuance of warrants No.1 (JKN-W1) to existing shareholders. The preliminary details of the warrants are as described below.

Type of Warrants	:	Warrants purchasing ordinary shares of JKN Global Media Public Company Limited No. 1 (JKN-W1) allocate to existing shareholders
Type	:	Specified warrant's holder and transferable.
Term of Warrants	:	2 years from the issuing date of warrants.
Number of Warrants	:	not exceeding 108,000,000 units
Offering Price	:	0 Baht per unit
Exercise Ratio	:	1 warrant to 5 ordinary shares
Exercise Price	:	Baht 15
Exercise Period	:	First time on 15 December 2018, second time on 15 June 2019, third time on 15 December 2019 and last time on 8 May 2020
First Exercise Date	:	To be announced
Last Exercise Date	:	8 May 2020

**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 six-month periods ended 30 June 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	20,175	19,646	20,175	19,693
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,115)	(3,226)	(850)	(600)
<b>Income tax expenses reported in the income statements</b>	<u>19,060</u>	<u>16,420</u>	<u>19,325</u>	<u>19,093</u>

  

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	39,495	36,350	39,495	36,396
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(2,451)	(4,381)	(1,671)	(1,215)
<b>Income tax expenses reported in the income statements</b>	<u>37,044</u>	<u>31,969</u>	<u>37,824</u>	<u>35,181</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2018 and 2017 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Deferred tax relating to actuarial gain	-	(169)	-	(169)
Total	-	(169)	-	(169)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</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 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit attributable to equity holders of the Company	68,453	36,529	77,279	66,615
Weighted average number of ordinary shares (Thousand shares)	540,000	400,000	540,000	400,000
Basic earnings per share (Baht/share)	0.13	0.09	0.14	0.17

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit attributable to equity holders of the Company	139,022	82,541	151,986	118,570
Weighted average number of ordinary shares (Thousand shares)	540,000	400,000	540,000	400,000
Basic earnings per share (Baht/share)	0.26	0.21	0.28	0.30

### 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 operation decision maker has been identified as the Company's Board of directors.

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 six-month periods ended 30 June 2018 and 2017, respectively.

(Unit: Million Baht)

	For the three-month periods ended 30 June											
	Sales of program		Advertising		Other business		Total		Eliminations		Consolidated	
	rights		services									
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues												
External customers	327	269	12	8	-	-	339	277	-	-	339	277
Inter-segment	12	34	2	-	1	1	15	35	(15)	(34)	-	1
Total revenues	339	303	14	8	1	1	354	312	(15)	(34)	339	278
Segment profit	135	146	2	(10)	1	1	138	137	(9)	(20)	129	117
Other income											13	1
Selling and servicing expenses											(5)	(2)
Administrative expenses											(35)	(42)
Finance cost											(15)	(21)
Income tax expenses											(19)	(16)
Profit for the period											68	37

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Sales of program rights		Advertising services		Other business		Total		Eliminations		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenues</b>												
External customers	655	519	28	16	-	-	683	535	-	-	683	535
Inter-segment	18	41	6	-	2	2	26	43	(26)	(42)	-	1
<b>Total revenues</b>	<b>673</b>	<b>560</b>	<b>34</b>	<b>16</b>	<b>2</b>	<b>2</b>	<b>709</b>	<b>578</b>	<b>(26)</b>	<b>(42)</b>	<b>683</b>	<b>536</b>
<b>Segment profit</b>	<b>286</b>	<b>266</b>	<b>8</b>	<b>(10)</b>	<b>2</b>	<b>2</b>	<b>296</b>	<b>258</b>	<b>(13)</b>	<b>(24)</b>	<b>283</b>	<b>234</b>
Other income											15	2
Selling and servicing expenses											(20)	(4)
Administrative expenses											(67)	(78)
Finance cost											(35)	(39)
Income tax expenses											(37)	(32)
<b>Profit for the period</b>											<b>139</b>	<b>83</b>



## 14. Commitments and contingent liabilities

### 14.1 Capital commitments

As at 30 June 2018, the Group had capital commitments of approximately USD 3 million (31 December 2017: USD 4 million), relating to purchasing of program rights and Baht 5 million (31 December 2017: Baht 1 million and USD 0.1 million), relating to purchasing equipment and computer software.

### 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 June 2018	31 December 2017	30 June 2018	31 December 2017
Payable:				
In up to 1 year	22	18	10	10
In over 1 and up to 3 years	7	3	6	3

### 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 2017: USD 4 million).

**15. Foreign currency risk**

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

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 June	31 December	30 June	31 December	30 June	31 December
	2018	2017	2018	2017	2018	2017
	(Million)	(Million) (Audited)	(Million)	(Million) (Audited)	(Baht per 1 foreign currency unit)	
US dollar	2.39	-	0.68	0.51	33.17	32.85

**16. Events after the reporting period**

The Securities and Exchange Commission approved an issuance and offering the debenture No. 1/2018 to private placement up to 10 people, amounting to Baht 400 million, bearing interest at a fixed rate of 6.50 percent per annum and have the tenure of 2 years. 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, unsecured debentures with debenture holders' representative in the name-registered certificate.

The Company issued the debenture on 20 July 2018 amounting to Baht 400 million.

**17. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2018.