

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as “The Post Publishing Public Company
Limited”)

Report and consolidated financial statements

31 December 2017



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Independent Auditor's Report

To the Shareholders of Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")

Opinion

I have audited the accompanying consolidated financial statements of Bangkok Post Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bangkok Post Public Company Limited for the same period.

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

Basis for Opinion

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



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Material Uncertainty Related to Going Concern

I draw attention to the matter as described in Note 1.2 to the financial statements. The Group has operating loss and as at 31 December 2017 the Group's current liabilities exceeded current assets. However, during the year, the Group has proceeded in accordance with the plan to remedy the situation. In addition, financial institution agreed to waive compliance with certain covenants in loan agreements and as at 31 December 2017 the Group still had net assets. The management believe that the Group will be able to continue as a going concern and the financial statements have therefore been prepared under the going concern basis. The Group is in the process to execute the changes in its strategic plan and improve its future operations. These events indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, key audit matters and how audit procedures respond for each matter are described below.



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Revenue recognition

The Company has many sources of revenues; e.g. sales of publication, advertising revenue, event revenue and commercial printing revenue and there are a variety of conditions in agreements with customers, such as sales promotions and discounts. As a result, conditions to recognise revenue are different for each source of revenues. This will affect amount and timing of revenue recognition.

I have examined the revenue recognition of the Company using significant audit procedures as follow:

- Assessing and testing the Company's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks.
- Applying a sampling method to select sales and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Company's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Sending accounts receivable confirmations at the period-end.
- Reviewing credit notes that the Company issued after the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Goodwill

As at 31 December 2017, the Company recorded goodwill from business combination amounted Baht 94 million as discussed in Note 15 to the financial statements. The assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future. In addition, the important assumptions used to estimate cash flow were an appropriate discount rate and long-term growth rate. This will affect the appropriate values of goodwill.



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I have examined the goodwill using significant audit procedures as follow:

- Assessing the identification of cash generating units and the financial models selected by management by inquiring the management and gaining an understanding of the management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised.
- Testing the significant assumptions in preparing estimates of the cash flows expected to be realized from the assets, through comparison those assumptions with information from both internal and external sources.
- Comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections.
- Evaluating the discount rate applied by management through analysis of the weighted average costs of the Company and of the industry.
- Testing the calculation of the realisable values of the assets using the selected financial model and considering the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates.
- Reviewing the disclosures made with respect to the impairment assessment for goodwill as well as sensitivity of the impact of changes in key assumptions to the cash flow projections.

Deferred tax assets

As at 31 December 2017, the Group recorded deferred tax assets from temporary differences and taxable losses amounted Baht 59 million. The Group has disclosed its accounting policy and details relating to deferred tax in Notes 4.1 and Notes 25 to the financial statements. A deferred tax asset is recognized when it is highly probable that the Group's taxable profit will be sufficient to allow utilization of the temporary differences in the future. Determining whether there will be sufficient future taxable profit to utilise temporary differences or taxable losses requires significant management judgment with respect to preparation of estimated projections of future taxable profit. Therefore, there is a risk with respect to the amount of deferred tax assets.



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I have examined the deferred tax assets using significant audit procedures as follow:

- Gaining an understanding of controls over the preparation of the estimates of future taxable profit for the purpose of recognizing deferred tax assets by making enquire of the Company's responsible personnel.
- Performing tests of controls over the preparation and approval of the estimates of future taxable profits to ensure that they effectively operate.
- Assessing the reasonableness of estimates by reviewing the information and key economic assumptions that might affect the projected revenue growth and gross profit margin such as economic growth rates, interest rates, and consumer spending.
- Testing the calculation of the estimates based on those assumptions and relevant information.
- Comparing past profit projections with actual taxable profits to assess the exercise of management judgment in estimating taxable profits
- Reviewing the disclosure of information regarding temporary differences and unused tax losses for which deferred tax assets are not recognized.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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

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

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



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



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I am responsible for the audit resulting in this independent auditor's report.

Saifon Inkaew

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 28 February 2018

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")

Statement of financial position

As at 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Assets					
Current assets					
Cash and cash equivalents	6	12,090,693	69,571,330	8,508,857	47,045,579
Trade and other receivables	7, 8	394,091,736	475,737,813	217,297,473	304,248,347
Inventories	9	69,876,804	54,320,328	44,535,040	51,986,505
Short-term loans to related parties	7	-	-	69,451,299	82,751,310
Corporate income tax deducted at source		74,133,599	75,679,362	40,074,651	50,471,658
Other current assets		40,500,631	47,300,782	16,528,962	18,540,690
Total current assets		590,693,463	722,609,615	396,396,282	555,044,089
Non-current assets					
Restricted bank deposits		-	10,375,019	-	-
Investments in subsidiaries	10	-	-	206,473,450	279,582,450
Investment in joint ventures	11	16,807,534	23,057,796	-	-
Investment in associate	12	-	-	-	-
Other long-term investment	13	-	-	-	-
Property, plant and equipment	14	1,339,846,823	1,424,140,687	1,321,995,446	1,408,062,258
Goodwill	15	94,850,812	156,880,812	-	-
Other intangible assets	16	114,084,550	144,562,994	62,563,364	82,963,082
Deferred tax assets	25	59,320,595	89,037,760	44,037,866	71,529,449
Other non-current assets		7,175,206	6,208,833	743,691	1,271,321
Total non-current assets		1,632,085,520	1,854,263,901	1,635,813,817	1,843,408,560
Total assets		2,222,778,983	2,576,873,516	2,032,210,099	2,398,452,649

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

T. J. John

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")
Statement of financial position (continued)
As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	843,920,578	695,869,095	815,108,157	695,869,095
Trade and other payables	7, 18	242,383,914	265,479,328	148,426,464	198,023,535
Short-term loans from non-controlling interests of the subsidiary	19	5,880,000	5,880,000	-	-
Current portion of long-term loans	20	12,500,000	192,332,400	10,000,000	192,332,400
Unearned subscription fee		51,599,081	59,985,887	44,476,550	50,752,241
Other current liabilities		56,582,116	65,714,609	33,033,587	47,151,047
Total current liabilities		1,212,865,689	1,285,261,319	1,051,044,758	1,184,128,318
Non-current liabilities					
Long-term loans, net of current portion	20	364,467,400	275,301,100	357,467,400	275,301,100
Deferred tax liabilities	25	151,663,895	154,750,644	144,344,859	144,344,859
Provision for long-term employee benefits	21	85,063,533	81,660,299	78,936,579	77,557,802
Total non-current liabilities		601,194,828	511,712,043	580,748,838	497,203,761
Total liabilities		1,814,060,517	1,796,973,362	1,631,793,596	1,681,332,079

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

1182

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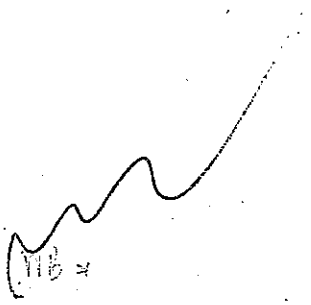
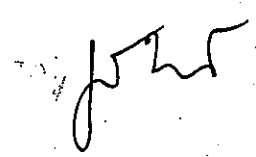
Bangkok Post Public Company Limited and its subsidiaries
 (Formerly known as "The Post Publishing Public Company Limited")
 Statement of financial position (continued)
 As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
Shareholders' equity					
Share capital					
Registered					
505,000,000 ordinary shares of Baht 1 each		505,000,000	505,000,000	505,000,000	505,000,000
Issued and fully paid up					
500,000,000 ordinary shares of Baht 1 each		500,000,000	500,000,000	500,000,000	500,000,000
Retained earnings					
Appropriated - statutory reserve	22	50,500,000	50,500,000	50,500,000	50,500,000
Unappropriated		(771,893,199)	(407,245,669)	(727,462,931)	(410,758,864)
Other components of shareholders' equity		577,379,434	577,379,434	577,379,434	577,379,434
Equity attributable to owners of the Company		355,986,235	720,633,765	400,416,503	717,120,570
Non-controlling interests of the subsidiaries		52,732,231	59,266,389	-	-
Total shareholders' equity		408,718,466	779,900,154	400,416,503	717,120,570
Total liabilities and shareholders' equity		2,222,778,983	2,576,873,516	2,032,210,099	2,398,452,649

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

Directors

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")
Statement of comprehensive income
For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales and service income	23	1,328,541,185	1,803,560,232	944,551,155	1,327,235,108
Cost of sales and services		(1,156,316,866)	(1,496,236,350)	(823,288,855)	(1,086,261,027)
Gross profit		172,224,319	307,323,882	121,262,300	240,974,081
Selling expenses		(199,865,600)	(241,402,089)	(144,669,016)	(170,248,537)
Administrative expenses		(226,512,625)	(268,556,490)	(183,890,826)	(223,033,714)
Loss on impairment of equipment and intangible assets		(3,087,983)	(44,226,448)	-	-
Doubtful debts on loans to subsidiaries	7	-	-	(25,825,172)	(56,395,420)
Loss on impairment of goodwill	15	(62,030,000)	-	-	-
Loss on impairment of investments in subsidiaries	10	-	-	(73,109,000)	-
Loss from sales and rendering of services		(319,271,889)	(246,861,145)	(306,231,714)	(208,703,590)
Dividend from subsidiary	10	-	-	15,000,000	17,850,000
Share of profit from investments in joint ventures	11	2,755,824	10,944,007	-	-
Other income		35,765,895	50,578,889	63,113,494	66,643,967
Loss before finance cost and income tax expenses		(280,750,170)	(185,338,249)	(228,118,220)	(124,209,623)
Finance cost		(56,129,532)	(57,301,304)	(54,794,435)	(56,829,252)
Loss before income tax expenses		(336,879,702)	(242,639,553)	(282,912,655)	(181,038,875)
Income tax revenues (expenses)	25	(28,489,224)	25,175,813	(28,751,549)	19,011,192
Loss for the year		(365,368,926)	(217,463,740)	(311,664,204)	(162,027,683)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss)	21	(7,287,441)	5,763,086	(6,299,829)	4,011,748
Share of other comprehensive income from investments in joint venture	11	21,489	82,364	-	-
Less: Income tax effect	25	1,453,190	(1,169,090)	1,259,966	(802,350)
Other comprehensive income for the year		(5,812,762)	4,676,360	(5,039,863)	3,209,398
Total comprehensive income for the year		(371,181,688)	(212,787,380)	(316,704,067)	(158,818,285)

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

Bangkok Post Public Company Limited and its subsidiaries
 (Formerly known as "The Post Publishing Public Company Limited")
 Statement of comprehensive income (continued)
 For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit attributable to:					
Equity holders of the Company		(358,834,768)	(215,399,129)	<u>(311,664,204)</u>	<u>(162,027,683)</u>
Non-controlling interests of the subsidiaries		<u>(6,534,158)</u>	<u>(2,064,611)</u>		
		<u>(365,368,926)</u>	<u>(217,463,740)</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		(364,647,530)	(210,722,769)	<u>(316,704,067)</u>	<u>(158,818,285)</u>
Non-controlling interests of the subsidiaries		<u>(6,534,158)</u>	<u>(2,064,611)</u>		
		<u>(371,181,688)</u>	<u>(212,787,380)</u>		
Earnings per share					
26					
Basic earnings per share					
Loss attributable to equity holders of the Company		<u>(0.72)</u>	<u>(0.43)</u>	<u>(0.62)</u>	<u>(0.32)</u>

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

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")

Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to the owners of the Company					Other components of equity					
	Issued and fully paid-up share capital	Retained earnings	Appropriated	Unappropriated	land	Surplus on revaluation of	income	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2015	500,000,000	(196,522,900)	50,500,000	577,379,434	577,379,434	-	-	577,379,434	931,366,534	78,481,000	1,009,837,534
Loss for the year	-	(215,399,129)	-	-	-	-	-	-	(215,399,129)	(2,064,611)	(217,463,740)
Other comprehensive income for the year	-	4,676,360	-	-	-	-	-	-	4,676,360	-	4,676,360
Total comprehensive income for the year	-	(210,722,769)	-	-	-	-	-	-	(210,722,769)	(2,064,611)	(212,787,380)
Dividend paid	-	-	-	-	-	-	-	-	-	(17,150,000)	(17,150,000)
Balance as at 31 December 2016	500,000,000	(407,245,669)	50,500,000	577,379,434	577,379,434	-	-	577,379,434	720,633,765	59,266,389	779,900,154
Balance as at 1 January 2017	500,000,000	(407,245,669)	50,500,000	577,379,434	577,379,434	-	-	577,379,434	720,633,765	59,266,389	779,900,154
Loss for the year	-	(358,834,768)	-	-	-	-	-	-	(358,834,768)	(6,534,158)	(365,368,926)
Other comprehensive income for the year	-	(5,812,762)	-	-	-	-	-	-	(5,812,762)	-	(5,812,762)
Total comprehensive income for the year	-	(364,647,530)	-	-	-	-	-	-	(364,647,530)	(6,534,158)	(371,181,688)
Balance as at 31 December 2017	500,000,000	(771,893,199)	50,500,000	577,379,434	577,379,434	-	-	577,379,434	355,986,235	52,732,231	408,718,466

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

T. J. J.

W. S.

Bangkok Post Public Company Limited and its subsidiaries
 (Formerly known as "The Post Publishing Public Company Limited")
 Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Separate financial statements						
	Issued and fully paid-up share capital	Retained earnings		Other components of equity			Total shareholders' equity
		Appropriated	Unappropriated	Other comprehensive income	Surplus on revaluation of land	Total other components of shareholders' equity	
Balance as at 1 January 2016	500,000,000	50,500,000	(251,940,579)	577,379,434	577,379,434	577,379,434	875,938,855
Loss for the year	-	-	(162,027,683)	-	-	-	(162,027,683)
Other comprehensive income for the year	-	-	3,209,398	-	-	-	3,209,398
Total comprehensive income for the year	-	-	(158,818,285)	-	-	-	(158,818,285)
Balance as at 31 December 2016	<u>500,000,000</u>	<u>50,500,000</u>	<u>(410,758,864)</u>	<u>577,379,434</u>	<u>577,379,434</u>	<u>577,379,434</u>	<u>717,120,570</u>
Balance as at 1 January 2017	500,000,000	50,500,000	(410,758,864)	577,379,434	577,379,434	577,379,434	717,120,570
Loss for the year	-	-	(311,664,204)	-	-	-	(311,664,204)
Other comprehensive income for the year	-	-	(5,039,863)	-	-	-	(5,039,863)
Total comprehensive income for the year	-	-	(316,704,067)	-	-	-	(316,704,067)
Balance as at 31 December 2017	<u>500,000,000</u>	<u>50,500,000</u>	<u>(727,462,931)</u>	<u>577,379,434</u>	<u>577,379,434</u>	<u>577,379,434</u>	<u>400,416,503</u>

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

104


Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")

Cash flow statement

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Loss before tax	(336,879,702)	(242,639,553)	(282,912,655)	(181,038,875)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful accounts	7,400,008	15,135,687	22,971,219	26,427,258
Allowance for sales returns (reversal)	(9,572,952)	3,684,877	(9,572,952)	3,684,877
Reduction of inventory to net realisable value (reversal)	(45,847)	9,250,307	2,512,091	2,764,183
Allowance for diminution in value of loans to subsidiaries	-	-	25,825,172	56,395,420
Allowance for diminution in value of investments in subsidiaries	-	-	73,109,000	-
Dividend received from subsidiary	-	-	(15,000,000)	(17,850,000)
Depreciation and amortisation	141,164,376	180,277,742	111,183,678	130,678,121
Gain on disposal of equipment	(6,888,328)	(1,659,330)	(6,724,335)	(1,661,368)
Allowance for impairment loss on equipment and intangible assets	3,087,983	44,226,448	-	-
Allowance for impairment loss on goodwill	62,030,000	-	-	-
Share of profit from investments in joint ventures	(2,755,824)	(10,944,007)	-	-
Provision for long-term employee benefits	6,331,871	4,625,008	5,294,166	6,025,459
Interest expenses	56,129,532	57,301,304	54,794,435	56,829,252
Profit (loss) from operating activities before changes in operating assets and liabilities	(79,998,883)	59,258,483	(18,520,181)	82,254,327
Operating assets (increase) decrease				
Trade and other receivables	83,819,021	262,005,828	73,552,607	227,553,207
Inventories	(15,510,629)	19,342,848	4,939,374	22,374,747
Other current assets	6,800,151	22,423,121	2,011,728	13,678,711
Other non-current assets	(966,374)	1,471,350	527,630	(173,620)
Operating liabilities increase (decrease)				
Trade and other payables	(23,536,323)	(44,951,541)	(49,753,921)	(63,751,897)
Other current liabilities	(17,519,298)	(40,481,626)	(20,393,151)	(28,375,156)
Cash flows from (used in) operating activities	(46,912,335)	279,068,463	(7,635,914)	253,560,319
Cash paid for interest expenses	(54,985,044)	(56,759,485)	(53,934,005)	(56,297,835)
Cash paid for corporate income tax	(24,130,417)	(43,371,332)	(14,876,993)	(26,069,954)
Cash received from refund of withholding tax deducted at source	25,274,000	29,022,469	25,274,000	29,022,469
Cash paid for long-term employee benefits	(10,215,218)	(7,297,706)	(10,215,218)	(7,297,706)
Net cash flows from (used in) operating activities	(110,969,014)	200,662,409	(61,388,130)	192,917,293

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

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")

Cash flow statement (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flow from investing activities				
Decrease (increase) in short-term loans to related party	-	-	(12,525,161)	40,110,270
Decrease (increase) in restricted bank deposits	10,375,019	(141,707)	-	-
Dividend received from subsidiary	-	-	15,000,000	17,850,000
Dividend received from joint venture	8,671,680	18,871,280	-	-
Cash receipt from investments in joint venture	351,597	2,000,000	-	-
Proceeds from sales of equipment	8,568,776	5,080,101	8,133,878	5,080,101
Cash paid for purchase of equipment	(29,714,988)	(7,349,819)	(6,815,572)	(17,070,698)
Cash paid for purchase of computer software	(2,149,090)	(5,455,645)	(14,699)	(5,356,048)
Net cash flows from (used in) investing activities	(3,897,006)	13,004,210	3,778,446	40,613,625
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	148,051,483	(175,948,287)	119,239,062	(171,130,905)
Cash receipt from long-term loans	9,500,000	23,300,000	-	23,300,000
Repayment of long-term loans	(100,166,100)	(50,000,000)	(100,166,100)	(50,000,000)
Repayment of liabilities under hire purchase agreements	-	(85,288)	-	-
Repayment of liabilities under finance lease agreements	-	(3,514,467)	-	(3,514,467)
Dividend paid	-	(17,150,000)	-	-
Net cash flows from (used in) financing activities	57,385,383	(223,398,042)	19,072,962	(201,345,372)
Net increase (decrease) in cash and cash equivalents	(57,480,637)	(9,731,423)	(38,536,722)	32,185,546
Cash and cash equivalents at beginning of year	69,571,330	79,302,753	47,045,579	14,860,033
Cash and cash equivalents at end of year	12,090,693	69,571,330	8,508,857	47,045,579

Supplemental cash flows information:

Non-cash item

Purchase of equipment and computer software
for which cash has not been paid

- 703,580 - 703,580

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

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")

Consolidated notes to financial statements

For the year ended 31 December 2017

1. General information

1.1 Corporate information

Bangkok Post Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the publishing and distribution of newspapers, magazines and books and production of television programs. The registered office of the Company is at 136 Sunthorn Kosa Road, Kwang Klong Toey, Khet Klong Toey, Bangkok.

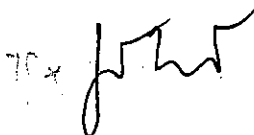
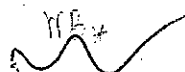
1.2 Fundamental accounting assumptions

The Group has operating loss and as at 31 December 2017 the Group's current liabilities exceeded current assets. However, during the year, the Group has proceeded in accordance with its operating, investing and financing plans. In addition, the Group has paid loan interest and principal on schedule. Therefore, during 2017 a financial institution granted the waiver regarding the maintenance of financial ratio for the 2017 financial statements and extended its repayment term until 2022 and as at 31 December 2017 the Company still has net total assets. The Group's management believe that the Group will be able to continue as a going concern and will be able to operate in accordance with amended strategic plans and obtain continuous financial support from financial creditors. Therefore, the financial statements have been prepared under the going concern basis, with assets and liabilities are recorded on a basis whereby the Group will be able to realize its assets and meet its obligations in the ordinary course of business.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession 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 11 October 2016, 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 Bangkok Post Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Percentage of shareholding		Country of incorporation
		2016 Percent	2015 Percent	
Subsidiaries				
Post New Media Company Limited	Investment	100	100	Thailand
Post Holding Company Limited (owned by Post New Media Company Limited)	Investment	100	100	Thailand
Post TV Company Limited (owned by Post Holding Company Limited)	Production of television programs and rent of studio	100	100	Thailand
Post International Media Company Limited	Publishing and distribution of magazines	100	100	Thailand
Post-IM Plus Company Limited (49%-owned by the Company and 51%-owned by Post International Media Company Limited)	Publishing and distribution of magazines	100	100	Thailand
Post News Company Limited ⁽¹⁾	Production of television programs	51	51	Thailand
Mushroom Group Company Limited	Production of television programs	51	51	Thailand

⁽¹⁾ Post News Company Limited is in the process of liquidation.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

3. New financial reporting standards

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

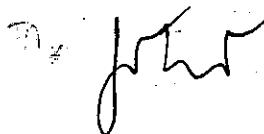
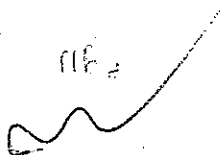
During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at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

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard does not have any significant impact on the Company and its subsidiaries' financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

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

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

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

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Newspaper subscription income

Newspaper subscription income is recognised on the time-proportion basis over the subscription period.

Rendering of services

Service income is recognised when services have been rendered taking into account the stage of completion.

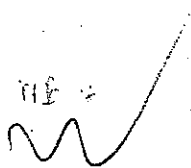
Advertising service income is recognised when the service has been rendered. The service is generally considered to be rendered when the publication carrying the advertisement is issued.

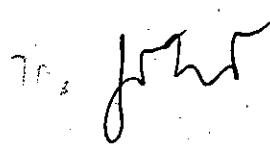
Interest income

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.

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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 Trade accounts receivable

Trade 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 which is generally based on collection experience and analysis of debt aging and allowance for sales return which is based on past experience and prevailing market condition.

4.4 Inventories

Finished goods is valued at the lower of cost (determined on the first-in, first-out method) and net realisable value. Such cost include all production costs which consist of cost of materials, labour and production overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (determined on the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

The Company and its subsidiaries set aside allowance to reduce cost to net realisable value for obsolete and slow-moving inventories.

4.5 Investments

- a) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries, joint ventures and associate are accounted for in the separate financial statements using the cost method.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

4.6 Property, plant and equipment and depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment loss of the assets (if any).

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Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings	20 years
Machinery and equipment	3 to 15 years
Office furniture, equipment and vehicles	3 to 10 years

Depreciation is included in determining income.

No depreciation is provided for land, and machinery and equipment under installation.

An item of property, plant and 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

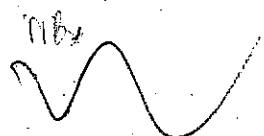
Intangible assets are carried at cost less accumulated amortisation and allowance for impairment losses of the assets.

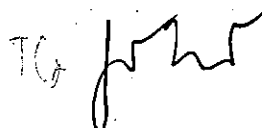
Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for such intangible assets are reviewed at least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

A summary of the intangible assets with finite useful lives is as follows:

- a) Customer relationship which has an estimated useful life of 2 to 11 years.
- b) Computer software which has an estimated useful life of 3 to 10 years.
- c) License which has an estimated useful life 5 years.

No amortisation is provided for computer software under installation.

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4.9 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.

4.10 Income tax

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

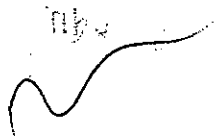
Current tax

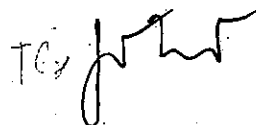
Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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 it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

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

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

4.11 Related party transactions

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

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

4.12 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 is depreciated over the shorter of the useful life of the asset and the lease period, if the Company expects not to purchase such assets at the end of the lease period.

Leases of 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.

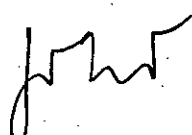
4.13 Foreign currencies

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 of each entity are measured using the functional currency of that entity.

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

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Gains and losses on exchange are included in determining income.

4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and 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 reviews 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.

4.15 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 and 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.

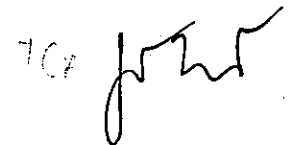
Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiaries provide other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans 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.

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Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

4.16 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.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

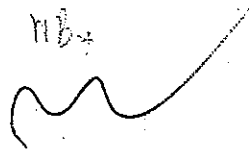
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

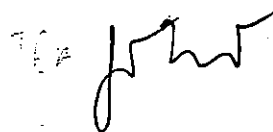
Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

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5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements 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 judgement 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, debt collection experience, aging profile of outstanding debts and the prevailing economic condition.

Allowance for sales return

In determining an allowance for sales return, the management needs to make judgment and estimates based upon past experience and prevailing market condition.

Impairment of investments

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

Property, plant and equipment/Depreciation

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

The Company measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land. The valuation involves certain assumptions and estimates as described in Note 14.

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

Goodwill

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

Deferred tax assets

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgement 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 and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans 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. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash	10	1,484	10	48
Bank deposits	12,081	68,087	8,499	46,998
Total	12,091	69,571	8,509	47,046

As at 31 December 2017, bank deposits in savings accounts and fixed deposits carried interest at the rates between 0.1 and 0.375 percent per annum (2016: between 0.3 and 1.05 percent per annum).

7. 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 and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Purchase of goods	-	-	18	24	Market price
Purchase of equipment	-	-	-	15	Contract price
Rental income	-	-	12	12	Market price
Advertising income	-	-	3	7	Market price
Interest income	-	-	20	22	Rates between 5 to 7.125 percent per annum
Service expenses of television production	-	-	-	13	Contract price
Management income	-	-	7	-	Contract price
<u>Transactions with joint venture</u>					
Purchase of goods	7	7	7	7	Market price
Management income	9	7	4	-	Contract price

As at 31 December 2017 and 2016, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	34,604	22,478
Joint venture	3,422	1,272	984	12
Less: Allowance for doubtful accounts	-	-	(30,319)	(14,443)
Total trade and other receivables - related parties	3,422	1,272	5,269	8,047

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade and other payables - related parties (Note 18)				
Subsidiaries	-	-	9,079	13,271
Joint venture	1,721	2,970	1,494	2,692
Total trade and other payables - related parties	1,721	2,970	10,573	15,963

Short-term loans to related parties

As at 31 December 2017 and 2016, the balance of short-term loans between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

Loans to related parties	Related by	Separate financial statements		
		Balance as at 31 December 2016	Increase (decrease) during the year	Balance as at 31 December 2017
Post International Media Co., Ltd.	Subsidiary	44,000	17,000	61,000
Post News Co., Ltd	Subsidiary	6,120	-	6,120
Post TV Co., Ltd.	Subsidiary	344,890	(4,475)	340,415
		395,010	12,525	407,535
Less: Allowance for doubtful accounts		(312,259)	(25,825)	(338,084)
Total		82,751	(13,300)	69,451

Post TV Company Limited received a loan of Baht 340 million from the Company. The loan is repayable on demand and carries interest at the rate of 5 percent per annum.

Post International Media Company Limited received a loan of Baht 61 million from the Company. The loan is repayable on demand and carries interest at the rate of 5.5 percent per annum.

Post News Company Limited received a loan of Baht 6 million from the Company. The loan is repayable on demand and carries interest at the rate with reference to Minimum Loan Rate a commercial bank charges to its prime customers.

Directors and management's benefits

During the year ended 31 December 2017 and 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	49	70	21	34
Post-employment benefits	2	1	-	-
Total	51	71	21	34

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,776	628	42	6,117
Past due				
Up to 3 months	50	-	-	-
Total trade receivables - related parties	1,826	628	42	6,117
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	175,290	200,460	85,833	128,333
Past due				
Up to 3 months	76,301	183,466	42,933	136,258
3 - 6 months	83,957	27,312	75,369	18,423
6 - 12 months	17,213	27,927	4,308	11,616
Over 12 months	23,992	29,148	16,161	23,449
Total	376,753	468,313	224,604	318,079
Less : Allowance for doubtful debts	(26,216)	(22,609)	(21,824)	(18,141)
Allowance for sales returns	(5,120)	(14,693)	(5,120)	(14,693)
Total trade receivables - unrelated parties, net	345,417	431,011	197,660	285,245
Total trade receivables - net	347,243	431,639	197,702	291,362

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Other receivables</u>				
Unbilled Revenue	45,253	43,455	14,368	10,956
Amounts due from related parties	1,596	644	35,546	16,373
Less : Allowance for doubtful debts	-	-	(30,319)	(14,443)
Total other receivables	46,849	44,099	19,595	12,886
Trade and other receivables - net	394,092	475,738	217,297	304,248

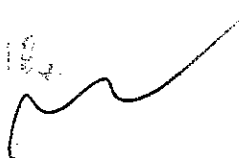
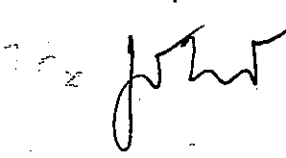
9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Finished goods	58,837	60,093	(46,301)	(43,199)	12,536
Raw materials	35,537	37,172	(3,315)	(2,922)	32,222	34,250
Others	25,729	7,327	(610)	(4,151)	25,119	3,176
Total	120,103	104,592	(50,226)	(50,272)	69,877	54,320

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Finished goods	42,149	41,154	(29,927)	(24,267)	12,222
Raw materials	35,537	37,172	(3,315)	(2,922)	32,222	34,250
Others	701	5,001	(610)	(4,151)	91	850
Total	78,387	83,327	(33,852)	(31,340)	44,535	51,987

118



10. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2017	2016	2017 (%)	2016 (%)	2017	2016	2017	2016
Post-IM Plus Company Limited (Another 51% owned by Post International Media Company Limited)	50,000	50,000	49	49	2	2	-	-
Post International Media Company Limited	25,000	25,000	100	100	100,890	100,890	15,000	-
Post News Company Limited	10,000	10,000	51	51	51,000	51,000	-	-
Mushroom Group Company Limited	80,000	80,000	51	51	178,690	178,690	-	17,850
Post New Media Company Limited	25,000	25,000	100	100	25,000	25,000	-	-
Total					309,682	309,682	15,000	17,850
Less: Allowance for loss from investments					(103,209)	(30,100)	-	-
					206,473	279,582	15,000	17,850

11. Investments in joint ventures

11.1 Details of investment in joint ventures:

Investments in joint ventures represented investments in entities which are jointly controlled by the Company and other company. Detail of this investment is as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2017 (%)	2016 (%)	2017	2016	2017	2016
Bangkok Post - Bauer Media Co., Ltd.	Publishing and distribution of magazines	70	70	11,500	11,500	16,808	22,707
Joint venture Kantana and Mushroom	Under liquidation	-	50	-	2,500	-	351
Total				11,500	14,000	16,808	23,058

11.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements and dividend income in the separate financial statements as follows:

Joint ventures	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of profit/loss from investments in joint venture during the year		Share of other comprehensive income from investments in joint venture during the year		Dividend received during the year	
	2017	2016	2017	2016	2017	2016
Bangkok Post - Bauer Media Co., Ltd.	2,756	10,944	17	66	-	-
Joint venture Kantana and Mushroom	-	-	-	-	-	-
Total	2,756	10,944	17	66	-	-

11.3 Summarised financial information of material joint ventures

Summarised information about financial position:

Joint venture	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the year ended		Profit for the year ended	
	31 December		31 December		31 December		31 December		31 December	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Bangkok Post - Bauer Media Co., Ltd.	16	16	42	64	16	25	59	87	5	21

12. Investment in associate

12.1 Details of associate:

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method - net	
			2017	2016	2017	2016	2017	2016
			(%)	(%)				
Flash News Company Limited	Production of radio programs	Thailand	40	40	10,000	10,000	2,704	2,704
Less: Allowance for loss from investment					(10,000)	(10,000)	(2,704)	(2,704)
Net								

12.2 Summarised financial information of associate

Financial information of the associate is summarised below:

(Unit: Million Baht)

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the year ended		Profit for the year ended	
	31 December		31 December		31 December		31 December		31 December	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Flash News Company Limited	24	23	2	1	-	-	-	3	-	1

13. Long-term investment

Long-term investment represents investment in ordinary shares of the following company:

(Unit: Thousand Baht)

	Paid up Capital	Equity Interest Percent	Cost	
			2017	2016
Singapore Press Holdings Limited	27,393,300	-	16	16
Less: Allowance for loss from investments			(16)	(16)
			-	-

14. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis		Cost basis			Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Cost:						
1 January 2016	923,800	859,916	1,030,502	419,635	1,150	3,235,003
Additions	-	-	193	2,632	3,069	5,894
Disposals	-	-	(7,896)	(13,858)	-	(21,754)
Transfers	-	-	674	1,085	(1,759)	-
31 December 2016	923,800	859,916	1,023,473	409,494	2,460	3,219,143
Additions	-	-	2,790	3,302	14,305	20,397
Disposals	-	-	(71,792)	(7,360)	(754)	(79,906)
Transfers	-	-	5,925	13,929	(14,846)	5,008
31 December 2017	923,800	859,916	960,396	419,365	1,165	3,164,642

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis		Cost basis			Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Accumulated depreciation:						
1 January 2016	-	703,995	721,967	216,058	-	1,642,020
Depreciation for the year	-	13,772	51,534	71,772	-	137,078
Depreciation on disposals	-	-	(7,896)	(10,445)	-	(18,341)
31 December 2016	-	717,767	765,605	277,385	-	1,760,757
Depreciation for the year	-	13,735	49,913	41,095	-	104,743
Depreciation on disposals	-	-	(71,749)	(6,289)	-	(78,038)
31 December 2017	-	731,502	743,769	312,191	-	1,787,462
Allowance for impairment loss:						
31 December 2016	-	-	-	32,245	-	32,245
Increase during the year	-	-	-	3,088	-	3,088
31 December 2017	-	-	-	37,333	-	37,333
Net book value						
31 December 2016	923,800	142,149	257,868	97,864	2,460	1,424,141
31 December 2017	923,800	128,414	216,627	69,841	1,165	1,339,847
Depreciation for the year						
2016 (Baht 109 million included in manufacturing cost, and the balance in selling and administrative expenses)						137,078
2017 (Baht 79 million included in manufacturing cost, and the balance in selling and administrative expenses)						104,743

(Unit: Thousand Baht)

Separate financial statements

	Revaluation basis		Cost basis			Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Cost:						
1 January 2016	923,800	859,916	1,030,502	259,044	1,362	3,074,624
Additions	-	-	193	15,239	657	16,089
Disposals	-	-	(7,896)	(13,619)	-	(21,515)
Transfers	-	-	674	1,085	(1,759)	-
31 December 2016	923,800	859,916	1,023,473	261,749	260	3,069,198
Additions	-	-	2,790	747	2,576	6,113
Disposals	-	-	(71,792)	(5,790)	(754)	(78,336)
Transfers	-	-	5,925	-	(917)	5,008
31 December 2017	923,800	859,916	960,396	256,706	1,165	3,001,983

(Unit: Thousand Baht)

Separate financial statements

	Revaluation basis		Cost basis			Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Accumulated depreciation:						
1 January 2016	-	703,995	721,968	143,766	-	1,569,729
Depreciation for the year	-	13,772	51,534	44,198	-	109,504
Depreciation on disposals	-	-	(7,896)	(10,201)	-	(18,097)
31 December 2016	-	717,767	765,606	177,763	-	1,661,136
Depreciation for the year	-	13,735	49,913	32,130	-	95,778
Depreciation on disposals	-	-	(71,749)	(5,177)	-	(76,926)
31 December 2017	-	731,502	743,770	209,893	-	1,679,988
Net book value						
31 December 2016	923,800	142,149	257,867	83,986	260	1,408,062
31 December 2017	923,800	128,414	216,626	51,990	1,165	1,321,995
Depreciation for the year						
2016 (Baht 86 million included in production cost, and the balance in selling and administrative expenses)						109,504
2017 (Baht 75 million included in production cost, and the balance in selling and administrative expenses)						95,778

In 2015, the Company arranged for an independent professional valuer to appraise the value of land based on the market approach.

Unobservable valuation inputs used in the valuation are summarised below:

	Consolidated financial statements	Separate financial statements
Price per square wah (Baht)	30,000 - 250,000	30,000 - 250,000

A significant increase (decrease) in the estimated price per square wah of the land subject to the revaluation would result in a significant increase (decrease) in the value of the land.

As at 31 December 2017, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 1,018 million (2016: Baht 1,031 million) (The Company only: Baht 977 million, 2016: Baht 999 million).

The Company mortgaged its land with structure with net book value of Baht 354 million for credit facilities received from bank.

15. Goodwill

(Unit: Thousand Baht)

	Consolidated financial statements	
	2017	2016
Net book value at beginning of year	156,881	156,881
Less: Allowance for impairment of goodwill	(62,030)	-
Net book value at end of year	<u>94,851</u>	<u>156,881</u>

The Company allocated goodwill acquired through business combinations to the cash generating units (CGUs) for annual impairment testing as follows:

(Unit: Thousand Baht)

	CGU 1	CGU 2	Total
	(Post International Media Co., Ltd.)	(Mushroom Television Co., Ltd.)	
Goodwill	53,769	103,112	156,881

The recoverable amount of the CGUs have been determined based on value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period.

Key assumptions used in value in use calculation are summarised below:

(Unit: percent per annum)

	CGU 1 (Post International Media Co., Ltd.)	CGU 2 (Mushroom Group Co., Ltd.)
	Growth rate	2
Discount rate before tax	11.25	13.15

The management determined growth rates based on expected market growth rate and discount rates is the pre-tax rate that reflects the risks specific to each CGU.

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16. Intangible assets

The net book value of intangible assets as at 31 December 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Customer relationship	License	Computer software	Computer software	Total
			Total		
Cost					
31 December 2016	71,395	-	350,076	302,432	302,432
Additions	-	7,200	28	15	15
Transfers	-	-	(5,008)	(5,008)	(5,008)
31 December 2017	71,395	7,200	345,096	297,439	297,439
Accumulated amortisation					
31 December 2016	19,366	-	243,930	219,155	219,155
Amortisation during the year	15,434	481	16,784	15,407	15,407
31 December 2017	34,800	481	260,714	234,562	234,562
Allowance for impairment					
31 December 2016	-	-	13,612	314	314
31 December 2017	-	-	13,612	314	314
Net book value					
31 December 2016	52,029	-	92,534	82,963	82,963
31 December 2017	36,595	6,719	70,770	62,563	62,563

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Customer relationship	Computer software	Total	Computer software	Total
Cost					
31 December 2015	71,395	344,681	416,076	297,087	297,087
Additions	-	5,646	5,646	5,546	5,546
Disposals	-	(61)	(61)	(11)	(11)
Transfers	-	(190)	(190)	(190)	(190)
31 December 2016	71,395	350,076	421,471	302,432	302,432
Accumulated amortisation					
31 December 2015	3,890	216,258	220,148	197,992	197,992
Amortisation during the year	15,476	27,724	43,200	21,174	21,174
Accumulated amortization of disposals	-	(52)	(52)	(11)	(11)
31 December 2016	19,366	243,930	263,296	219,155	219,155

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Customer relationship	Computer software	Total	Computer software	Total
Allowance for impairment					
31 December 2015	-	314	314	314	314
Increase during the year	-	13,298	13,298	-	-
31 December 2016	-	13,612	13,612	314	314
Net book value					
31 December 2015	67,505	128,109	195,614	98,781	98,781
31 December 2016	52,029	92,534	144,563	82,963	82,963

As at 31 December 2017, the Company has no computer software under installation (2016: Baht 5 million).

As at 31 December 2017, certain items of computer software were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation and allowance for impairment loss of those assets amounted to approximately Baht 189 million (2016: Baht 162 million) (The Company only: Baht 177 million, 2016: Baht 152 million).

17. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Bank overdrafts	MOR	28,921	869
Short-term loans from financial institutions	MMR	815,000	695,000	815,000	695,000
Total		843,921	695,869	815,108	695,869

18. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade payables - related parties	1,495	2,693	10,568	15,854
Trade payables - unrelated parties	113,455	154,656	47,966	90,346
Amount due to related parties	226	277	5	109
Accrued expenses	93,038	70,405	56,757	55,050
Other payables	34,170	37,448	33,130	36,665
Total trade and other payables	242,384	265,479	148,426	198,024

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefits is between 14.8 and 29.1 years (Separate financial statements: 14.8 years) (2016: between 8.5 and 29.6 years, separate financial statements: 8.5 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Discount rate	1.1 - 3.2	1.5 - 3.7	1.1 - 3.2	1.5 - 3.5
Salary increase rate	3.0 - 5.0	3.0	3.0	3.0
Employee turnover rate (depending on age of employees)	0 - 41.5	3.9 - 35.6	4.2 - 41.5	3.9 - 35.6

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 2017			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(8)	10	(3)	4
Salary increase rate	8	(6)	2	(2)
Turnover rate	(8)	10	(4)	5

	(Unit: Million Baht)			
	As at 31 December 2016			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(4)	5	(4)	4
Salary increase rate	4	(3)	3	(2)
Turnover rate	(5)	5	(4)	5

21. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Provision for long-term employee benefits				
at beginning of year	81,660	90,096	77,558	82,842
Included in profit or loss:				
Current service cost	4,475	5,354	3,554	4,451
Interest cost	1,027	1,711	911	1,574
Loss (gains) on settlement	829	(2,440)	829	-
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	(2,690)	(9,653)	(3,765)	(8,876)
Financial assumptions changes	1,895	2,663	1,491	2,592
Experience adjustments	8,083	1,227	8,574	2,273
Benefits paid during the year	(10,215)	(7,298)	(10,215)	(7,298)
Provision for long-term employee benefits				
at end of year	<u>85,064</u>	<u>81,660</u>	<u>78,937</u>	<u>77,558</u>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cost of sales	4,119	4,259	3,639	3,734
Selling and administrative expenses	2,212	366	1,655	2,291
Total expense recognised in profit or loss	<u>6,331</u>	<u>4,625</u>	<u>5,294</u>	<u>6,025</u>

The Company and its subsidiaries expect to pay Baht 6 million of long-term employee benefits over the next year (Separate financial statements: Baht 6 million) (2016: Baht 9 million, separate financial statements: Baht 9 million).

19. Short-term loans from non-controlling interests of the subsidiary

As at 31 December 2017, a subsidiary had a short-term Baht loans from its shareholders who have non-controlling interests. The loans carry interest at the rates with reference to Minimum Loan Rate a commercial bank charges to its prime customers, and repayable on demand.

20. Long-term loans


The balance represents the Company's long-term Baht loans from a local bank, which are summarised below.

(Unit: Thousand Baht)

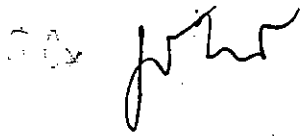
Loan	Interest rate (%)	Repayment schedule	Consolidated		Separate	
			financial statements	financial statements	financial statements	financial statements
			2017	2016	2017	2016
1	Fixed rate of 5.50 percent per annum	Quarterly installments commencing September 2017 to December 2022	367,467	467,634	367,467	467,634
2	Fixed rate of 5.25 percent per annum	Quarterly installments commencing January 2018 to July 2020	9,500	-	-	-
Total			376,967	467,634	367,467	467,634
Less: Current portion			(12,500)	(192,333)	(10,000)	(192,333)
Long-term loans - net of current portion			364,467	275,301	357,467	275,301

The long-term loan agreements require that the Company maintain a debt-to-equity ratio of not more than 2.25 times. However, in September 2017, the Company had been granted the waiver regarding the maintenance of a debt-to-equity ratio for the 2017 financial statements at a rate higher than that prescribed in the loan agreement. In addition, the Company had been permitted by bank to extend repayment term of long-term loans to be gradually repaid until 2022. The Company mortgaged its land with structure as additional collateral to the lender in December 2017

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22. 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 income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The reserve, which has now been fully set aside, is not available for dividend distribution.

23. Sales and service income

These include sales and advertising revenues of approximately Baht 11 million (2016: Baht 10 million) (Separate financial statements: Baht 6 million (2016: Baht 6 million)) arising from exchanges of dissimilar goods or services with other companies.

24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Salaries and wages and other employee benefits	615	688	454	481
Depreciation and amortisation	121	180	111	131
Advertising expenses	39	61	28	38
News service expenses	23	60	23	42
Travelling expenses	59	65	51	58
Allowance for diminution in value of loans to subsidiary	-	-	26	56
Allowance for doubtful debts	3	15	23	26
Loss on impairment of equipment and intangible assets	3	44	-	-
Loss on impairment of investments in subsidiaries	-	-	73	-
Loss on impairment of goodwill	62	-	-	-
Raw materials and consumables used	224	520	193	470
Changes in inventories of finished goods and work in progress	7	2	3	(7)

25. **Deferred tax assets/Income tax**

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	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:				
Current income tax charge	-	3,117	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	28,489	(28,293)	28,752	(19,011)
Income tax expense (revenue) reported in the statement of comprehensive income	<u>28,489</u>	<u>(25,176)</u>	<u>28,752</u>	<u>(19,011)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax on actuarial loss (gain)	1,453	(1,169)	1,260	(802)
	<u>1,453</u>	<u>(1,169)</u>	<u>1,260</u>	<u>(802)</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Accounting loss before tax	(334,803)	(242,574)	(282,913)	(181,039)
Applicable tax rate	<u>20%</u>	<u>20%</u>	<u>20%</u>	<u>20%</u>
Accounting loss before tax multiplied by income tax rate	(66,961)	(48,515)	(56,583)	(36,208)
Adjustment in respect of deferred tax assets of previous year	32,741	(6,814)	32,674	(207)
Tax losses for the year that have not been recognised as deferred tax assets	49,852	31,032	31,733	6,231
Tax effect of an allowance for diminution in value of loans to and investment in subsidiary, not recognised as deferred tax assets	-	-	23,242	14,061

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Effects of:				
Non-deductible expenses	14,086	2,024	737	733
Additional expense deductions allowed	(388)	(51)	(51)	(51)
Share of profit from joint ventures	(551)	(2,202)	-	-
Exempted dividend income	-	-	(3,000)	(3,570)
Others	(290)	(650)	-	-
Income tax expense (revenue) reported in the statement of comprehensive income	<u>28,489</u>	<u>(25,176)</u>	<u>28,752</u>	<u>(19,011)</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax assets				
Provision for long-term employee benefits	17,013	16,332	15,788	15,511
Tax loss carried forward	31,341	61,009	17,541	44,321
Allowance for doubtful debts	3,586	3,628	3,328	3,628
Allowance for sales returns	544	1,638	544	1,638
Allowance for diminution in value of inventories	6,770	6,268	6,770	6,268
Allowance for impairment of computer software	8	26	8	26
Others	59	137	59	137
Total deferred tax assets	<u>59,321</u>	<u>89,038</u>	<u>44,038</u>	<u>71,529</u>
Deferred tax liabilities				
Intangible assets from business combination	7,319	10,406	-	-
Surplus on revaluation of land	144,345	144,345	144,345	144,345
Total deferred tax liabilities	<u>151,664</u>	<u>154,751</u>	<u>144,345</u>	<u>144,345</u>

As at 31 December 2017, the Company and its subsidiaries had deductible temporary differences, unused tax losses and unused tax credits totaling Baht 472 million (2016: Baht 350 million) (Separate financial statements: Baht 67 million (2016: Baht 31 million)), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of such temporary differences.

Details of expiry date of unused tax loss are summarised as below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
31 December 2018	2	8	-	-
31 December 2019	138	116	-	-
31 December 2020	154	118	16	-
31 December 2021	95	108	19	31
31 December 2022	83	-	32	-
	<u>472</u>	<u>350</u>	<u>67</u>	<u>31</u>

26. 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.

27. 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.

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

- Publishing and advertising segment
- Production of television programs segment
- Other segments

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.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2017 and 2016.

(Unit: Million Baht)

Year ended 31 December	Publishing and advertising segment		Production of television programs segment		Other segments		Total segments		Adjustments and eliminations of inter-segment		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Revenue from external customers	931	1,417	181	221	216	166	1,328	1,804	-	-	1,328
Inter-segment revenue	21	31	-	14	-	1	21	46	(21)	(46)	-	-
Segment profit (loss)	(198)	88	24	(21)	142	(1)	(32)	66	4	-	(28)	66

(Unit: Million Baht)

Year ended 31 December	Publishing and advertising segment		Production of television programs segment		Other segments		Unallocated		Adjustments and eliminations of inter-segment		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Revenue from external customers	1,917	2,163	709	682	24	30	209	269	(636)	(567)	2,223



Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

For the year 2017, the Company and its subsidiaries have earned revenue from one major customer in the amount of Baht 87 million, arising from sales of the publishing and advertising segment (2016: Baht 123 million derived from one major customer, arising from sales of publishing and advertising segment).

28. Provident fund

The Company and its subsidiaries, and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the employees and the Company and its subsidiaries contributed to the fund monthly at the rates of 4 percent to 8 percent of the basic salary. The fund, which is managed by The Bangkok Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2017 amounting to approximately Baht 24 million (2016: Baht 29 million) were recognised as expenses (Separate financial statements: Baht 20 million (2016: Baht 23 million)).

29. Commitments and contingent liabilities

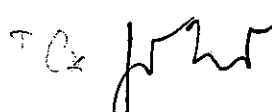
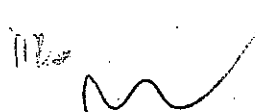
29.1 Capital and long-term service commitments

The Company and its subsidiaries had commitments relating to the improvement of building, the acquisition of equipment and the bookkeeping as follows:

	(Unit: Million Baht)	
	As at 31 December	
	<u>2017</u>	<u>2016</u>
Payable:		
In up to 1 year	70	70
In over 1 up to 5 years	165	171
More than 5 years	82	123

29.2 Long-term service commitments

The subsidiaries and joint venture have entered into trademark agreements under which foreign companies granted their permission to use their trademarks. The subsidiaries and joint venture are obliged to pay the counterparties service fees, calculated in accordance with the conditions and at rates stipulated in the agreements.



29.3 Guarantees

As at 31 December 2017, there were outstanding bank guarantees of approximately Baht 8 million (2016: Baht 10 million) issued in the normal course of business of the Company and its subsidiaries.

30. Fair value hierarchy

As of 31 December 2017, the Company and its subsidiaries had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated/ Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Land	-	-	923	923

31. Financial instruments

31.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related parties, trade and other payables, bank overdrafts and short-term loans from financial institutions, short-term loans and long-term loans. 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 accounts receivable and short-term and long-term loans to related parties. 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, except for the amount provided by an allowance for doubtful debts. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and short-term loans to related parties as stated in the statements of financial position.

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Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, short-term loans to related parties, bank overdrafts and short-term loans from financial institutions, short-term loans and long-term borrowings. However, since 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, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2017

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
Financial Assets						
Cash and cash equivalents	-	-	5	7	12	0.1 - 0.375
Trade and other receivables	-	-	-	394	394	-
	-	-	5	401	406	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	844	-	844	MMR, MOR
Trade and other payables	-	-	-	242	242	-
Short-term loans from non- controlling interests of the subsidiary	-	-	6	-	6	Reference to MLR
Long-term loans	13	364	-	-	377	5.25 - 5.50
	13	364	850	242	1,469	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2016

	Fixed interest rates				Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years	Floating interest rate	Non- interest bearing		
Financial Assets						
Cash and cash equivalents	-	-	65	4	69	0.3 - 1.05
Trade and other receivables	-	-	-	476	476	-
	-	-	65	480	545	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	696	-	696	MMR, MOR
Trade and other payables	-	-	-	265	265	-
Short-term loans from non- controlling interests of the subsidiary	-	-	6	-	6	Reference to MLR
Long-term loans	142	142	184	-	468	5.25, Reference to MLR
	142	142	886	265	1,435	

(Unit: Million Baht)

Separate financial statements as at 31 December 2017

	Fixed interest rates				Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years	Floating interest rate	Non- interest bearing		
Financial Assets						
Cash and cash equivalents	-	-	2	6	8	0.1 - 0.375
Trade and other receivables	-	-	-	217	217	-
Short-term loan to related parties	69	-	-	-	69	5 - 5.5, MLR
	69	-	2	223	294	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	815	-	815	MMR, MOR
Trade and other payables	-	-	-	148	148	-
Long-term loans	10	357	-	-	367	5.50
	10	357	815	148	1,330	

(Unit: Million Baht)

Separate financial statements as at 31 December 2016

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
Financial Assets						
Cash and cash equivalents	-	-	44	3	47	0.5 - 1.05
Trade and other receivables	-	-	-	304	304	-
Short-term loan to related parties	77	-	6	-	83	5, MLR
	<u>77</u>	<u>-</u>	<u>50</u>	<u>307</u>	<u>434</u>	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	696	-	696	MMR, MOR
Trade and other payables	-	-	-	198	198	-
Long-term loans	142	142	184	-	468	5.25, Reference to MLR
	<u>142</u>	<u>142</u>	<u>880</u>	<u>198</u>	<u>1,362</u>	

Foreign currency risk

The Company and its subsidiaries do not consider themselves exposed to foreign currency risk because the Company and its subsidiaries have no significant business transactions in foreign currency.

31.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

32. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that they have an appropriate financial structure in order to support their businesses and maximise shareholder value. As at 31 December 2017, the Group's debt-to-equity ratio was 4.44:1 (2016: 2.30:1) (Separate financial statements 4.08:1 (2016: 2.34:1)).

33. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 28 February 2018.