

Bangkok Post Public Company Limited
and its subsidiaries
(Formerly known as “The Post Publishing
Public Company Limited”)
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Post Public Company Limited

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

Scope of review

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

Conclusion

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

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 30 September 2017 the Group's current liabilities exceeded current assets. However, during the period, the Group has proceeded in accordance with the plan to remedy the situation which has resulted in an improvement in its earnings from previous periods. In addition, during the current period, the bank agreed to waive the financial ratio condition of the 2017 financial statements for the Group and extend repayment term of long-term loan to be gradually repaid until 2022. Moreover, as at 30 September 2017 the Group's total assets exceeded total liabilities with significant amount. 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 conclusion is not qualified in respect of this matter.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 6 November 2017

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

Statement of financial position

As at 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2017</u>	<u>31 December 2016</u>	<u>30 September 2017</u>	<u>31 December 2016</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		15,685	69,571	13,346	47,046
Trade and other receivables	3	429,417	475,738	238,973	304,248
Inventories	4	44,566	54,320	43,101	51,986
Short-term loans to related parties	2	-	-	95,277	82,751
Corporate income tax deducted at source		65,453	75,679	36,358	50,472
Other current assets		57,671	47,301	23,669	18,541
Total current assets		612,792	722,609	450,724	555,044
Non-current assets					
Restricted bank deposits		-	10,375	-	-
Investments in subsidiaries	5	-	-	272,482	279,582
Investments in joint ventures	6	14,961	23,058	-	-
Investments in associate	7	-	-	-	-
Other long-term investment	8	-	-	-	-
Property, plant and equipment	9	1,365,388	1,424,140	1,343,237	1,408,062
Goodwill	10	152,181	156,881	-	-
Intangible assets	11	122,269	144,563	66,166	82,963
Deferred tax assets	12	103,404	89,038	85,740	71,530
Other non-current assets		5,554	6,209	837	1,272
Total non-current assets		1,763,757	1,854,264	1,768,462	1,843,409
Total assets		2,376,549	2,576,873	2,219,186	2,398,453

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 financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2017</u>	<u>31 December 2016</u>	<u>30 September 2017</u>	<u>31 December 2016</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	13	818,381	695,869	803,508	695,869
Trade and other payables	14	211,984	265,479	135,826	198,024
Short-term loans from non-controlling interests					
of the subsidiary	15	5,880	5,880	-	-
Current portion of long-term loans	16	12,833	192,332	9,500	192,332
Unearned subscription fee		51,443	59,986	44,683	50,752
Other current liabilities		57,532	65,715	41,538	47,151
Total current liabilities		1,158,053	1,285,261	1,035,055	1,184,128
Non-current liabilities					
Long-term loans, net of current portion	16	366,634	275,301	359,967	275,301
Deferred tax liabilities		152,442	154,751	144,345	144,345
Provision for long-term employee benefits		85,787	81,660	80,907	77,558
Total non-current liabilities		604,863	511,712	585,219	497,204
Total liabilities		1,762,916	1,796,973	1,620,274	1,681,332

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 financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>30 September 2017</u>	<u>31 December 2016</u>	<u>30 September 2017</u>	<u>31 December 2016</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
505,000,000 ordinary shares of Baht 1 each	<u>505,000</u>	<u>505,000</u>	<u>505,000</u>	<u>505,000</u>
Issued and fully paid up				
500,000,000 ordinary shares of Baht 1 each	500,000	500,000	500,000	500,000
Retained earnings				
Appropriated - statutory reserve	50,500	50,500	50,500	50,500
Unappropriated	(577,228)	(407,245)	(528,967)	(410,758)
Other components of shareholders' equity	<u>577,379</u>	<u>577,379</u>	<u>577,379</u>	<u>577,379</u>
Equity attributable to owners of the Company	550,651	720,634	598,912	717,121
Non-controlling interests of the subsidiary	<u>62,982</u>	<u>59,266</u>	-	-
Total shareholders' equity	<u>613,633</u>	<u>779,900</u>	<u>598,912</u>	<u>717,121</u>
Total liabilities and shareholders' equity	<u>2,376,549</u>	<u>2,576,873</u>	<u>2,219,186</u>	<u>2,398,453</u>

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

Directors

(Unaudited but reviewed)

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

Statements of comprehensive income

For the three-month period ended 30 September 2017

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

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Sales and services income	17	358,368	440,363	243,314	328,410
Cost of sales and services		(290,474)	(350,815)	(195,006)	(257,253)
Gross profit		67,894	89,548	48,308	71,157
Selling expenses		(48,629)	(50,868)	(33,896)	(38,106)
Administrative expenses		(57,439)	(60,142)	(47,367)	(46,928)
Allowance for impairment of goodwill		(4,700)	-	-	-
Allowance for loss from investments in subsidiaries		-	-	(7,100)	-
Loss from sales and rendering of services		(42,874)	(21,462)	(40,055)	(13,877)
Dividend received from subsidiary	5	-	-	-	7,650
Share of profit (loss) from investments in joint venture		(416)	3,410	-	-
Other income		6,119	23,268	14,157	19,781
Profit (loss) before finance cost and income tax expenses		(37,171)	5,216	(25,898)	13,554
Finance cost		(14,360)	(15,005)	(13,951)	(14,895)
Loss before income tax expenses		(51,531)	(9,789)	(39,849)	(1,341)
Income tax revenues (expenses)	12	3,133	2,076	4,208	1,800
Profit (loss) for the period		(48,398)	(7,713)	(35,641)	459
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		(48,398)	(7,713)	(35,641)	459
Profit attributable to:					
Equity holders of the Company		(50,344)	(6,988)	(35,641)	459
Non-controlling interests of the subsidiary		1,946	(725)		
		(48,398)	(7,713)		
Total comprehensive income attributable to:					
Equity holders of the Company		(50,344)	(6,988)	(35,641)	459
Non-controlling interests of the subsidiary		1,946	(725)		
		(48,398)	(7,713)		
Loss per share					
18					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.10)	(0.01)	(0.07)	0.00

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries

(Formerly known as "The Post Publishing Public Company Limited")

Statements of comprehensive income

For the nine-month period ended 30 September 2017

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

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Sales and services income	17	1,000,300	1,355,519	705,615	995,347
Cost of sales and services		<u>(848,565)</u>	<u>(1,145,560)</u>	<u>(612,248)</u>	<u>(825,745)</u>
Gross profit		151,735	209,959	93,367	169,602
Selling expenses		(142,364)	(184,735)	(102,641)	(127,605)
Administrative expenses		(172,140)	(207,856)	(139,349)	(164,989)
Allowance for impairment of goodwill		(4,700)	-	-	-
Allowance for loss from investments in subsidiaries		-	-	(7,100)	-
Allowance for diminution in value of loans to subsidiaries		-	-	-	(22,000)
Loss from sales and rendering of services		<u>(167,469)</u>	<u>(182,632)</u>	<u>(155,723)</u>	<u>(144,992)</u>
Dividend received from subsidiary	5	-	-	15,000	17,850
Share of profit from investments in joint venture	6	927	7,378	-	-
Other income		<u>28,147</u>	<u>39,540</u>	<u>47,856</u>	<u>50,198</u>
Loss before finance cost and income tax expenses		<u>(138,395)</u>	<u>(135,714)</u>	<u>(92,867)</u>	<u>(76,944)</u>
Finance cost		<u>(40,425)</u>	<u>(42,430)</u>	<u>(39,553)</u>	<u>(42,073)</u>
Loss before income tax expenses		<u>(178,820)</u>	<u>(178,144)</u>	<u>(132,420)</u>	<u>(119,017)</u>
Income tax revenues (expenses)	12	<u>12,553</u>	<u>23,454</u>	<u>14,211</u>	<u>22,418</u>
Loss for the period		<u>(166,267)</u>	<u>(154,690)</u>	<u>(118,209)</u>	<u>(96,599)</u>
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		<u>(166,267)</u>	<u>(154,690)</u>	<u>(118,209)</u>	<u>(96,599)</u>
Profit attributable to:					
Equity holders of the Company		<u>(169,983)</u>	<u>(150,697)</u>	<u>(118,209)</u>	<u>(96,599)</u>
Non-controlling interests of the subsidiary		<u>3,716</u>	<u>(3,993)</u>		
		<u>(166,267)</u>	<u>(154,690)</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		<u>(169,983)</u>	<u>(150,697)</u>	<u>(118,209)</u>	<u>(96,599)</u>
Non-controlling interests of the subsidiary		<u>3,716</u>	<u>(3,993)</u>		
		<u>(166,267)</u>	<u>(154,690)</u>		
Loss per share	18				
Basic loss per share					
Loss attributable to equity holders of the Company		<u>(0.34)</u>	<u>(0.30)</u>	<u>(0.24)</u>	<u>(0.19)</u>

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

(Unaudited but reviewed)

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

Cash flow statements

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Loss before tax	(178,820)	(178,144)	(132,420)	(119,017)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts (reversal)	(43)	13,081	11,593	9,961
Reversal of allowance for sales returns	(9,333)	(3,385)	(9,333)	(3,385)
Reduction of inventory to net realisable value (reversal)	451	(4,345)	510	(4,345)
Allowance for impairment of goodwill	4,700	-	-	-
Allowance for loss from investments in subsidiaries	-	-	7,100	-
Allowance for diminution in value of loans to subsidiaries	-	-	-	22,000
Dividend received from subsidiaries	-	-	(15,000)	(17,850)
Depreciation and amortisation	103,902	136,535	85,048	98,773
Gain on disposal of equipment	(6,594)	(1,811)	(6,430)	(1,811)
Share of profit from investments in joint venture	(927)	(7,378)	-	-
Provision for long-term employee benefits	4,127	823	3,349	2,483
Interest expenses	40,425	42,430	39,553	42,073
Profit (loss) from operating activities before changes in operating assets and liabilities	(42,112)	(2,194)	(16,030)	28,882
Operating assets (increase) decrease				
Trade and other receivables	55,697	245,608	63,015	198,059
Inventories	9,303	25,785	8,375	22,910
Other current assets	(10,370)	13,085	(5,128)	6,546
Other non-current assets	655	1,126	435	(52)
Operating liabilities increase (decrease)				
Trade and other payables	(53,652)	(43,964)	(61,991)	(65,735)
Other current liabilities	(16,726)	(30,255)	(11,682)	(18,654)
Other current liabilities	-	(5,262)	-	(5,262)
Cash flows from (used in) operating activities	(57,205)	203,929	(23,006)	166,694
Cash paid for interest expenses	(39,614)	(41,462)	(39,056)	(41,118)
Cash paid for corporate income tax	(19,170)	(36,109)	(11,159)	(20,632)
Cash received from refund of withholding tax deducted at source	25,274	29,022	25,274	29,022
Net cash flows from (used in) operating activities	(90,715)	155,380	(47,947)	133,966

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

(Unaudited but reviewed)

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

Cash flow statements (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	-	-	(12,526)	13,000
Decrease in restricted bank deposits	10,375	-	-	-
Dividend received from subsidiaries	-	-	15,000	17,850
Dividend received from joint venture	8,672	12,750	-	-
Cash receipt from investments in joint venture	352	2,000	-	-
Proceeds from sales of equipment	8,461	2,077	7,838	2,077
Cash paid for purchase of equipment	(18,176)	(6,292)	(5,538)	(4,407)
Cash paid for purchase of computer software	(7,201)	(208)	-	(107)
Net cash flows from investing activities	2,483	10,327	4,774	28,413
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	122,512	(81,817)	107,639	(77,000)
Cash receipt from long-term loans	10,000	23,300	-	23,300
Repayment of long-term loans	(98,166)	(50,000)	(98,166)	(50,000)
Repayment of liabilities under hire purchase agreements	-	(81)	-	-
Repayment of liabilities under finance lease agreements	-	(2,816)	-	(2,812)
Dividend paid	-	(17,150)	-	-
Net cash flows from (used in) financing activities	34,346	(128,564)	9,473	(106,512)
Net increase (decrease) in cash and cash equivalents	(53,886)	37,143	(33,700)	55,867
Cash and cash equivalents at beginning of period	69,571	79,303	47,046	14,860
Cash and cash equivalents at end of period	15,685	116,446	13,346	70,727
	-	-	-	-
Supplemental cash flows information				
Non-cash item:				
Purchase of equipment and computer software				
for which cash has not been paid	51	52	-	52

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")
 Statements of changes in shareholders' equity
 For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to the owners of the Company									
	Other components of equity									
	Ordinary shares - issued and fully paid	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	Total equity attributable to the owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
Appropriated - statutory reserve		Unappropriated	Surplus on revaluation of land	income	Equity attributable to shareholders'					Equity attributable to non-controlling interests of the subsidiaries
Balance as at 31 December 2015	500,000	50,500	(196,523)	577,379	577,379	931,356	78,481	1,009,837		
Total comprehensive income for the period	-	-	(150,697)	-	-	(150,697)	(3,993)	(154,690)		
Dividend paid	-	-	-	-	-	-	(17,150)	(17,150)		
Balance as at 30 September 2016	500,000	50,500	(347,220)	577,379	577,379	780,659	57,338	837,997		
Balance as at 31 December 2016	500,000	50,500	(407,245)	577,379	577,379	720,634	59,266	779,900		
Total comprehensive income for the period	-	-	(169,983)	-	-	(169,983)	3,716	(166,267)		
Balance as at 30 September 2017	500,000	50,500	(577,228)	577,379	577,379	550,651	62,982	613,633		

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries
(Formerly known as "The Post Publishing Public Company Limited")
Statements of changes in shareholders' equity (continued)
For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Separate financial statements						
	Ordinary shares - issued and fully paid	Retained earnings		Other components of equity			Total shareholders' equity
		Appropriated - statutory reserve	Unappropriated	Other comprehensive income	Surplus on revaluation of land	Total other components of shareholders' equity	
Balance as at 31 December 2015	500,000	50,500	(251,940)	577,379	577,379	875,939	
Total comprehensive income for the period	-	-	(96,599)	-	-	(96,599)	
Balance as at 30 September 2016	500,000	50,500	(348,539)	577,379	577,379	779,340	
Balance as at 31 December 2016	500,000	50,500	(410,758)	577,379	577,379	717,121	
Total comprehensive income for the period	-	-	(118,209)	-	-	(118,209)	
Balance as at 30 September 2017	500,000	50,500	(528,967)	577,379	577,379	598,912	

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”)

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2017

1. General information

1.1 Corporate information

Bangkok Post Public Company Limited (“the Company”) is a public company under Thai laws and is domiciled in Thailand. The Company is principally engaged in the publishing and distribution of newspapers, magazines and books and its registered address is 136 Sunthorn Kosa Road, Kwang Klong Toey, Khet Klong Toey, Bangkok.

The Company registered with the Ministry of Commerce for the change of its name from “The Post Publishing Public Company Limited” to “Bangkok Post Public Company Limited” on 28 April 2017.

1.2 Fundamental accounting assumptions

The Group has operating loss and as at 30 September 2017 the Group's current liabilities exceeded current assets. However, during the period, the Group has proceeded in accordance with its operating, investing and financing plans to remedy the situation, which has resulted in an improvement in its earnings compared to previous periods. In addition, during the current period, the bank agreed to waive the financial ratio condition of the 2017 financial statements for the Group and extend repayment term of long-term loan to be gradually repaid until 2022. Moreover, as at 30 September 2017 the Group's total assets exceeded total liabilities. 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 improve its future operations. 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.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2015) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

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

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

1.4 Basis of consolidation

These consolidated interim financial statements include the financial statements of Bangkok Post Public Company Limited and its subsidiaries and are prepared on the same basis as the consolidated financial statements for the year ended 31 December 2016, with no structural changes related to subsidiaries occurring during the current period.

1.5 New financial reporting standards

During the period, 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.

1.6 Significant accounting policies

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

2. Related party transactions

During the periods, 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)

	For the three-month periods				For the nine-month periods				Transfer pricing policy
	ended 30 September				ended 30 September				
	Consolidated		Separate		Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	financial statements	financial statements	financial statements	financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
Transactions with subsidiaries									
(eliminated from the consolidated financial statements)									
Purchase of goods	-	-	3	5	-	-	13	18	Market price
Service expenses of									
television production	-	-	-	3	-	-	-	10	Contract price
Advertising income	-	-	-	-	-	-	-	1	Market price
Rental income	-	-	4	2	-	-	9	10	Market price
Interest income	-	-	5	5	-	-	15	16	Rates between 5 to 7.125 percent per annum
Management income	-	-	2	3	-	-	6	10	Contract price
Transactions with joint venture									
Purchase of goods	1	2	1	-	3	6	3	4	Market price
Management income	2	2	1	-	7	6	3	-	Contract price

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
<u>Trade and other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	29,312	22,478
Joint venture	2,729	1,272	1,410	12
Less: Allowance for doubtful accounts	-	-	(25,919)	(14,443)
Total trade and other receivables - related parties	2,729	1,272	4,803	8,047
<u>Trade and other payables - related parties (Note 14)</u>				
Subsidiaries	-	-	6,501	13,271
Joint venture	2,102	2,970	1,816	2,692
Total trade and other payables - related parties	2,102	2,970	8,317	15,963

Short-term loans to related parties

As at 30 September 2017 and 31 December 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 by	Separate financial statements		
		Balance as at 1 January 2017	Increase (decrease) during the period	Balance as at 30 September 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	(4,474)	340,416
		395,010	12,526	407,536
Less: Allowance for doubtful accounts		(312,259)	-	(312,259)
Total		82,751	12,526	95,277

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2017 and 2016, the Company and its subsidiaries incurred employee benefits expenses payable to their directors and management as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	11	13	5	7
Post-employment benefits	1	1	-	1
Total	<u>12</u>	<u>14</u>	<u>5</u>	<u>8</u>

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	37	47	16	29
Post-employment benefits	2	1	-	1
Total	<u>39</u>	<u>48</u>	<u>16</u>	<u>30</u>

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	650	628	-	6,117
Total trade receivables - related parties	<u>650</u>	<u>628</u>	<u>-</u>	<u>6,117</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	151,297	200,460	82,693	128,333
Past due				
Up to 3 months	138,705	183,466	107,604	136,258
3 - 6 months	28,806	27,312	13,828	18,423
6 - 12 months	10,238	27,927	6,473	11,616
Over 12 months	26,677	29,148	18,080	23,449
Total	355,723	468,313	228,678	318,079
Less : Allowance for doubtful debts	(21,218)	(22,609)	(17,271)	(18,141)
Allowance for sales returns	(5,360)	(14,693)	(5,360)	(14,693)
Total trade receivables - unrelated parties, net	329,145	431,011	206,047	285,245
Total trade receivables - net	329,795	431,639	206,047	291,362
<u>Other receivables</u>				
Unbilled revenue	95,859	43,455	28,123	10,956
Amounts due from related parties	2,079	644	30,722	16,373
Amounts due from unrelated parties	1,684	-	-	-
Less : Allowance for doubtful debts	-	-	(25,919)	(14,443)
Total other receivables - net	99,622	44,099	32,926	12,886
Trade and other receivables - net	429,417	475,738	238,973	304,248

4. Allowance to reduce cost to net realisable value

Movements in the allowance to reduce cost of the inventory to net realisable value during the nine-month period ended 30 September 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2017		50,272		31,340
Add: Reversal of reduce cost to net realisable value of inventory account		451		510
Balance as at 30 September 2017		50,723		31,850

(Unaudited but reviewed)

5. Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Separate financial statements	
	Carrying amount based on cost method	
	30 September 2017	31 December 2016
		(Audited)
Post-IM Plus Company Limited	2	2
Post International Media Company Limited	100,890	100,890
Post News Company Limited ⁽¹⁾	5,100	5,100
Mushroom Group Company Limited	178,690	178,690
Post New Media Company Limited	25,000	25,000
Total	309,682	309,682
Less: Allowance for loss from investment	(37,200)	(30,100)
Investments in subsidiaries - net	272,482	279,582

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

The dividend income from subsidiaries presented in the statements of comprehensive income for the three-month and nine-month periods is dividend income from Post International Media Company Limited and Mushroom Group Company Limited.

6. Investments in joint ventures

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements			
	Cost		Carrying amount based on equity method	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Bangkok Post-Bauer Media Co., Ltd. (Formerly known as "Post-ACP Co., Ltd.")	11,500	11,500	14,961	22,707
Joint venture Kantana and Mushroom	-	2,500	-	351
	11,500	14,000	14,961	23,058

During the period, Mushroom Television Company Limited received repayment from investments in Joint Venture Kantana and Mushroom of Baht 0.4 million

(Unaudited but reviewed)

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 for the nine-month periods ended 30 September 2017 and 2016 as follows:

Joint ventures	Consolidated				(Unit: Thousand Baht)	
	financial statements		Share of other comprehensive		Separate	
	Share of profit/loss from		income from investments in joint		financial statements	
	investments in joint ventures		ventures during the period		Dividend received	
	during the period		during the period		during the period	
	2017	2016	2017	2016	2017	2016
Bangkok Post-Bauer Media Co., Ltd. (Formerly known as "Post-ACP Co., Ltd.")	927	7,378	-	-	-	-
Joint venture Kantana and Mushroom	-	-	-	-	-	-
	927	7,378	-	-	-	-

7. Investment in associate

Company's name	(Unit: Thousand Baht)			
	Cost - net		Carrying amount based on	
			equity method - net	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
	(Audited)		(Audited)	
Flash News Co., Ltd.	10,000	10,000	2,704	2,704
Less: Allowance for loss from investment	(10,000)	(10,000)	(2,704)	(2,704)
Net	-	-	-	-

8. Long-term investment

	(Unit: Thousand Baht)			
			Cost	
	Paid up	Equity	30 September	31 December
	Capital	interest	2017	2016
	Percent		(Audited)	
Singapore Press Holdings Limited	27,393,300	-	16	16
Less: Allowance for loss from investments			(16)	(16)
			-	-

(Unaudited but reviewed)

9. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2017	1,424,140	1,408,062
Acquisitions during period - at cost	17,523	4,834
Transferred-in during period - at cost	5,008	5,008
Disposals/write off during period - net book value at disposal date	(1,867)	(1,408)
Depreciation for the period	(79,416)	(73,259)
Net book value as at 30 September 2017	1,365,388	1,343,237

The Company has mortgaged parts of its land with a total net book value (revalued amount) as at 30 September 2017 of Baht 190 million as collateral for the Company's credit facilities from a bank.

10. Goodwill

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2017	156,881
Impairment of goodwill	(4,700)
Balance as at 30 September 2017	152,181

During the period, the Company arranged for goodwill impairment testing of Mushroom Group Company Limited. The recoverable amount has been determined based on value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period.

11. Intangible assets

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2017	144,563	82,963
Acquisitions during period - at cost	7,200	-
Transferred-out during period - net book value at transferred date	(5,008)	(5,008)
Amortisation for the period	(24,486)	(11,789)
Net book value as at 30 September 2017	<u>122,269</u>	<u>66,166</u>

12. Deferred tax assets/Income tax

Interim corporate income tax was calculated on loss before income tax for the period, after adding back disallowable expenses and deducting income which is exempted for tax computation purposes, using the estimated effective tax rate for the year.

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

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	1,905	554	-	-
Deferred tax:				
Relating to origination of temporary differences during the period	(5,038)	(2,630)	(4,208)	(1,800)
Income tax expenses (income) reported in the statements of comprehensive income	<u>(3,133)</u>	<u>(2,076)</u>	<u>(4,208)</u>	<u>(1,800)</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	4,122	1,437	-	-
Deferred tax:				
Relating to origination of temporary differences				
during the period	(16,675)	(24,891)	(14,211)	(22,418)
Income tax expenses (income) reported in the statements of comprehensive income	<u>(12,553)</u>	<u>(23,454)</u>	<u>(14,211)</u>	<u>(22,418)</u>

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

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated		Separate	
		financial statements		financial statements	
		30 September 2017	31 December 2016	30 September 2017	31 December 2016
			(Audited)		(Audited)
Bank overdrafts	MOR	18,381	869	3,508	869
Short-term loans from financial institutions	MMR	800,000	695,000	800,000	695,000
Total		<u>818,381</u>	<u>695,869</u>	<u>803,508</u>	<u>695,869</u>

14. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Trade payables - related parties	1,817	2,693	8,312	15,854
Trade payables - unrelated parties	127,404	154,656	58,051	90,346
Amounts due to related parties	285	277	5	109
Accrued expenses	51,520	70,405	40,108	55,050
Other payables	30,958	37,448	29,350	36,665
Total trade and other payables	<u>211,984</u>	<u>265,479</u>	<u>135,826</u>	<u>198,024</u>

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

As at 30 September 2017, a subsidiary had 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.

16. Long-term loans

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

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2017	467,633	467,633
Add: Additions during the period	10,000	-
Less: Repayment	(98,166)	(98,166)
Balance as at 30 September 2017	379,467	369,467
Less: Current portion	(12,833)	(9,500)
Long-term loans - net of current portion	<u>366,634</u>	<u>359,967</u>

The long-term loan agreements require the Company to maintain a debt-to-equity ratio of not more than 2.25 times. However, in December 2016, the Company has been permitted by the bank to maintain the ratio at a rate higher than that prescribed in the bank agreement. The Company has already mortgaged its land as collateral to the bank in June 2017.

In September 2017, the Company had been granted the waive regarding the maintenance of a debt-to-equity ratio for the 2017 financial statements and permitted by the bank to extend repayment term of long-term loans to be gradually repaid until 2022. The Company had to mortgage its land with structure of Baht 300 million to the lender as additional collateral within December 2017.

17. Sales and services income

Sales and services income for the three-month and nine-month periods ended 30 September 2017 included the revenues from sales of goods and advertising arising from exchanges of dissimilar goods or services with other companies totaling approximately Baht 2 million and Baht 7 million, respectively (Separate financial statements: Baht 1 million and Baht 3 million, respectively) (30 September 2016: Baht 2 million and Baht 7 million, respectively (Separate financial statements: Baht 1 million and Baht 4 million, respectively)).

18. Loss per share

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

19. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

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

	(Unit: Thousand Baht)					
For the three-month period ended 30 September 2017	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	268,488	68,089	21,791	358,368	-	358,368
Inter-segment	3,859	-	-	3,859	(3,859)	-
Segment profit (loss) before administrative expenses and others	(3,883)	15,618	6,387	18,122	1,143	19,265

	(Unit: Thousand Baht)					
For the three-month period ended 30 September 2016	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	359,158	40,808	40,397	440,363	-	440,363
Inter-segment	4,408	4,385	120	8,913	(8,913)	-
Segment profit (loss) before administrative expenses and others	45,016	(915)	(5,421)	38,680	-	38,680

(Unaudited but reviewed)

	(Unit: Thousand Baht)					
	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated
For the nine-month period ended 30 September 2017						
Revenue						
External customers	778,053	159,713	62,534	1,000,300	-	1,000,300
Inter-segment	13,413	-	-	13,413	(13,413)	-
Segment profit (loss) before administrative expenses and others	(47,160)	38,402	15,474	6,716	2,655	9,371

	(Unit: Thousand Baht)					
	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated
For the nine-month period ended 30 September 2016						
Revenue						
External customers	1,090,915	157,151	107,453	1,355,519	-	1,355,519
Inter-segment	18,603	11,147	408	30,158	(30,158)	-
Segment profit (loss) before administrative expenses and others	79,193	(29,864)	(24,105)	25,224	-	25,224

20. Commitments and contingent liabilities**20.1 Capital and long-term service commitments**

As at 30 September 2017 and 31 December 2016, the Company and its subsidiaries had commitments with unrelated parties, relating to the improvement of building, the acquisition of equipment and the bookkeeping as follows:

	(Unit: Million Baht)	
	<u>30 September 2017</u>	<u>31 December 2016</u>
Payable:		
In up to 1 year	76	70
In over 1 and up to 5 years	167	171
In over 5 years	92	123

20.2 Long-term service commitments

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

20.3 Guarantees

As at 30 September 2017, there are outstanding bank guarantees of approximately Baht 7 million (31 December 2016: Baht 10 million) issued in the normal course of business of the Company and subsidiaries.

21. Approval of interim financial statements

These interim financial statements were approved for issue by the Company's authorised directors on 6 November 2017.